

Smith May 30-86-16

Unions join in battle of parks v logging

By JOSEPH GLASCOTT,
Environment Writer

The trade union movement and conservationists came into conflict yesterday on the employment effects of restricted woodchip logging on the NSW far South Coast.

Mr Bob Richardson, research officer for the ACTU, was present at a seminar called by the conservation movement on woodchipping in the Eden area.

On Wednesday the ACTU strongly supported the renewal of woodchip licences by the Federal Government to the Japanese company Harris Diashowa, which exports chips to Japan.

The ACTU said 5,000 jobs were at risk in the Eden area if two new national parks, Tanta-wanglo and Coolangubra, were declared as requested by the conservation movement.

A conservationist spokesman said this was a gross exaggeration. Only 600 people were employed directly in the woodchip industry and alternative sources of employment were available.

Mr Richardson told the seminar: "I have found the state-

ments about jobs and consumption here patronising. We have to deal every day with the consumption needs of workers.

"The trade union movement would like to become interested in sound environmental policies.

"We would like the conservation movement to draw a bottom line on their demands for national parks on maps and then negotiate."

The assistant director of the Total Environment Centre, Mr Jeff Angel, said the ACTU employment figures on woodchipping at Eden were from Disneyland.

"The ACTU has been captured by the woodchip industry and is using job figures which are a gross exaggeration," he said.

"The conservation movement is undertaking detailed economic studies in the Eden area to suggest ways of minimising the impact of the proposed parks.

"This work is continuing, but is being hampered by lack of co-operation from the NSW Forestry Commission and the industry."

Safety review postpones new F4 section opening

By TRACEY AUBIN,
Transport Reporter

The opening of the \$32 million section of the F4 set down for next Friday has been deferred pending a safety review by the Department of Industrial Relations.

A spokesman for the Minister for Roads, Mr Brereton, said yesterday: "The workers [with White Industries Pty Ltd] asked for a safety review following a recent serious accident on the construction site, and Mr Brereton thought that was the appropriate action."

[Last Wednesday, Mr Upi Rustundi, 23, of Bondi Junction, fell 13 metres when scaffolding

collapsed on the expressway site at Parramatta. He suffered a fractured pelvis and thigh.]

Other openings will go ahead.

The \$25 million, 4.5-kilometre extension to the F6 between Fowlers Road, Dapto, and the railway overpass at Yallah, south of Wollongong, will open on June 2.

On June 5, a \$5.5 million upgrading of the two bridges over the Numeralla River and flood plain outside Cooma will be opened.

The \$9.4 million upgrading of the Sparks and Wallarah roads north of Wyong will open on June 6.

Chipping away, getting nowhere

THERE is a joke among forestry workers on the far south coast of NSW that H-DA stands for "Hardly Do Anything".

The humour is ironic when you consider that Harris-Daishowa (Australia) Pty Ltd is the cause of much economic and industrial activity in the area. But H-DA has also generated speculation and suspicion about how it came to be the first exporter of woodchips from Australia.

Harris-Daishowa has come under public scrutiny following the release of its draft environmental impact statement for forestry operations beyond 1989.

The politician in the hot seat is Primary Industry Minister John Kerin, who will make a decision on the renewal of H-DA's export licence early next year.

Harris-Daishowa operates a wood-chipping plant which draws timber from State forest, Crown land and private property on the south coast of NSW. The chips are exported to Japan where the parent company, Daishowa Seishi, operates six factories for the production of paper and cardboard.

In the two decades from 1960, Japanese reliance on overseas pulpwood increased from 1.7 per cent to 46 per cent. Australian eucalyptus chips are desired because of their uniformity, and today represent more than half Japan's total chip imports.

The present Eden woodchip scheme is a vital cog in the wheel of Japanese paper production.

The project began more than 20 years ago, when Daishowa Seishi heard of NSW Government studies investigating the possible setting up of a woodchip industry.

In 1967, Daishowa met with executives from a small Australian timber firm called Harris Holdings Ltd, who agreed to act as Australian agents for the Japanese.

Harris Holdings, established in May 1961, was run by three brothers: Ronald, Percival and Gordon Harris. Although a contract was signed in 1966/67 "to import treated timber from Malaysia into New Guinea", the company was not in the big league of logging and construction firms, earning a profit after tax for instance of only \$29,800 in 1967/68.

When the NSW Government invited proposals for establishing a chip-mill and pulping plant at Eden, Daishowa Seishi and Harris Holdings made a joint bid for the tender. A deadline for submissions was set for September 30, 1967.

Officially the Forestry Commission accepted and assessed the tenders and the State Government signed the deal, but it is still not clear which party initiated the proposal.

Certainly the commission was keen to make use of the forests, but a senior Forestry Commission source said the NSW Minister for Conservation at the time, Jack Beale, adopted "a cavalier attitude". He says Beale "got up and ran with it (the idea) ... rather than accept the Forestry Commission's decisions."

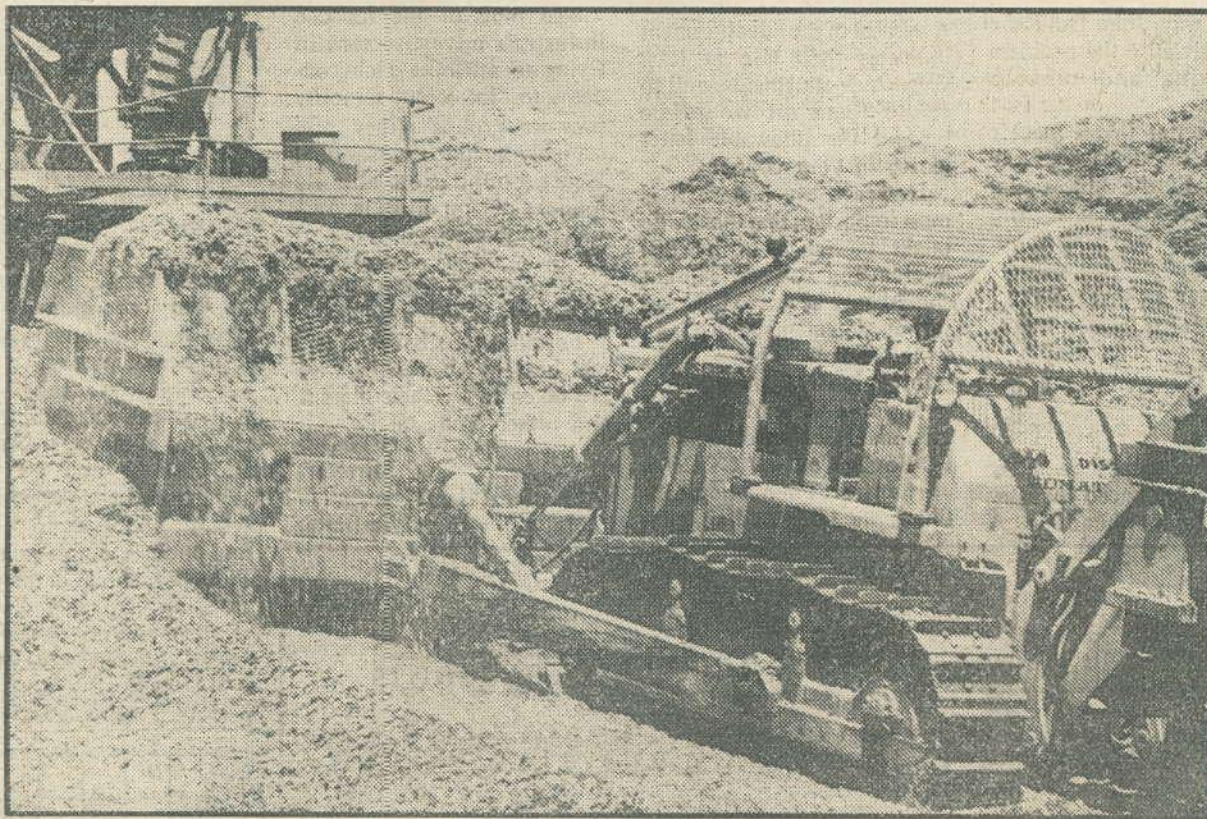
The relatively unknown Harris Holdings, along with its Japanese partners, won the contract where other more established companies had failed. Australian Paper Manufacturers (APM), for instance, had expressed an interest in woodchipping on the South Coast since the end of World War II.

Harris and Daishowa formed Harris-Daishowa (Australia) Pty Ltd in December 1967, with Harris owning 51 per cent of shares and Daishowa 49 per cent.

Jack Beale, now retired from State politics, said APM was keen to woodchip but did not have the appropriate technology.

H-DA officially won the tender because:

While the battle between conservationists and the woodchip lobby continues, the company at the centre of the Eden woodchip debate goes relatively unnoticed. GEOFF RODORED and KAREN BARNETT take a look at Japanese-owned Harris-Daishowa



Bulldozers at work in the South Coast woodchip area ... meeting heavy Japanese demand.

- Daishowa needed the chips for its own manufacture of paper and Beale was impressed with the company's Japanese operation.

- It agreed to pay a high royalty rate to the Forestry Commission.

- Most importantly, H-DA, according to company records, "volunteered to investigate the feasibility of a pulp mill installation".

Jack Beale clearly understood the pulp-mill commitment to be stronger than Harris-Daishowa intimated. He told Parliament: "In the deal that we made, within seven years of the granting of the licence this group must complete a pulping plant that will cost from \$25 million to \$35 million. That will provide more employment in the district."

Eighteen years later, no pulp-mill exists at Eden. The company still promises to look into the matter.

Frank Whitelaw, forestry manager for Harris-Daishowa, said a pulp-

mill feasibility was done in 1976 — the year it was supposed to be operating. It was apparently uneconomical at the time. "It wasn't feasible because of the high capital to extend the licence, and the possibility of building a pulp-mill is still suggested."

Harris-Daishowa was incorporated at the end of 1967. But it was not until May, 1969, 17 months later, that directors were appointed to the board and one month after this that shares were taken up.

Harris Holdings' company records for 1968 explain the reason for the slow start: "On the 14th September, 1968, Daishowa of Japan received official approval from the Japanese Government to invest funds abroad cent interest, but the brothers turned down the offer."

Australian Paper Manufacturers, disappointed at not being granted the licence in the first place, recognised

Harris's difficulties and made a counter-bid for the company.

Brambles Industries, the large transport company, wanted control over the transportation of logs from State forests to the chip mill.

The three companies, Brambles, APM and Dillingham, decided to combine their efforts. They formed a consortium and made another offer to Harris Holdings.

Harris, still not able to raise the finance and, stymied by Japanese delays, was forced to sell out in February, 1970. Dillingham, APM and Brambles directors replaced the Harris brothers on the board of Harris Holdings.

Dillingham now controlled 49 per cent of Harris Holdings, Brambles and APM held 24.5 per cent each and 2 per cent was held by various individuals associated with these companies.

Now backed by the strength of

QUOTE: The pattern of using production or manufacturing companies in the front line, backed by marketing and trading organisations who in turn are supported by banks, gives Japanese companies a stranglehold that is hard to break. This very pattern is observed in the set-up of H-DA.

cost, the lack of wood and the high cost of water," he said.

Harris-Daishowa's early financial situation is largely blamed for the lack of action. Up to 1978 the company paid no tax on profits because accumulated losses had not been absorbed. During the same period, however, Daishowa Seishi made profits after tax of \$25.5 million.

There is no financial incentive for H-DA to build a pulp-mill in Australia when the parent company owns six mills in Japan. Frank Whitelaw denies this is the reason it has not been built.

"We did a feasibility study for the Government and the conclusions reached weren't queried by them," Whitelaw said.

Although there is still no pulp-mill at Eden, the company's licence has not been revoked. Instead it is

in the planned joint venture company of Eden."

The two official Japanese Government bodies, the Ministry of International Trade and Industry and the Ministry of Finance, known as "MITI" and "MOF", which influence overseas investments, were to cause headaches for the Australian contingent in the joint venture in the months to come.

The American-owned construction company, Dillingham Corporation, got the contract to build the chip mill and the road from the Pacific Highway to the mill at Jews Head.

According to the agreement, Harris would supply 50 per cent of the funding and Daishowa the other 50 per cent, but Harris Holdings had problems finding the loan money.

Dillingham Corporation made an approach to buy up Harris's 51 per

three large organisations, Harris Holdings would be able to fund its operations. But Daishowa was still dragging its heels, reluctant to forward the necessary finance.

Eventually, after months of hedging by the Japanese, the consortium was faced with two options. Either keep the operation going on limited finance, or close off funding and shut down the whole project.

The consortium opted to pull out and sold its equity to Daishowa in March 1971, resulting in a profit over costs of \$1,997,025 for the three-company group.

Two months after the first shipload of woodchips left Australian shores the company became solely Japanese owned. A little more than a year later Harris Holdings went into liquidation.

Federal and State government approval for the consortium's sale to

Daishowa was granted partly on the condition that Harris-Daishowa obtain Australian equity "at a suitable time".

In late 1971, rather than taking up Australian equity, Daishowa allotted 37.5 per cent of its shareholding to the Japanese trading giant, C. Itoh and Co Ltd. This situation of ownership remains to this day.

The techniques used by Daishowa in the international market reflect an overall strategy employed by many Japanese multinationals.

The pattern of using production or manufacturing companies in the front line, backed by marketing and trading organisations which in turn are supported by banks, gives Japanese companies a stranglehold that is hard to break. This very pattern is observed in the set-up of H-DA.

The production company is Daishowa, behind which exists the marketing or trading group — C. Itoh. Finally there are financial institutions — Daishowa Seishi shareholders: Sumitomo Bank and Kyowa Bank.

The draft environmental impact statement (EIS) is the first step towards renewing the company's export licence — due to expire in 1989. EIS legislation allows the company responsible for preparing the statement to employ its own consultants to assess the likely impact on the environment of the proposed action.

H-DA's current EIS was prepared by the Canberra-based consultancy firm, Margules and Partners.

A member of the study team involved in the production of the EIS, Hugh Dunchue, is a forester for a local timber development company which specialises in acquiring marginal rural land which is cleared and replaced with pine forests. Ray Margules, another member of the study team, has also been a consultant forester for this company.

The company, Kapunda Development Co Pty Ltd, is also one of the authorities consulted in the process of preparing the current EIS.

Harris-Daishowa's first EIS was released in 1977. Prior to that, in 1975, an environmental, economic and sociological effects survey of woodchipping in the Eden region, was carried out by a consultancy firm on behalf of H-DA.

The firm, W.D. Scott & Co, had already handled some of the senior management appointments for Harris-Daishowa and a former director of W.D. Scott, Geoffrey Peterson, became a director of H-DA in July, 1976.

Another former director of Harris-Daishowa, John Brookes, who resigned when the consortium sold out to Daishowa Seishi in 1974, was director of the Victorian Department of Conservation from April 1979 to January 1983.

Over the years Harris-Daishowa has applied successfully to the Federal Government for increases in its export tonnage.

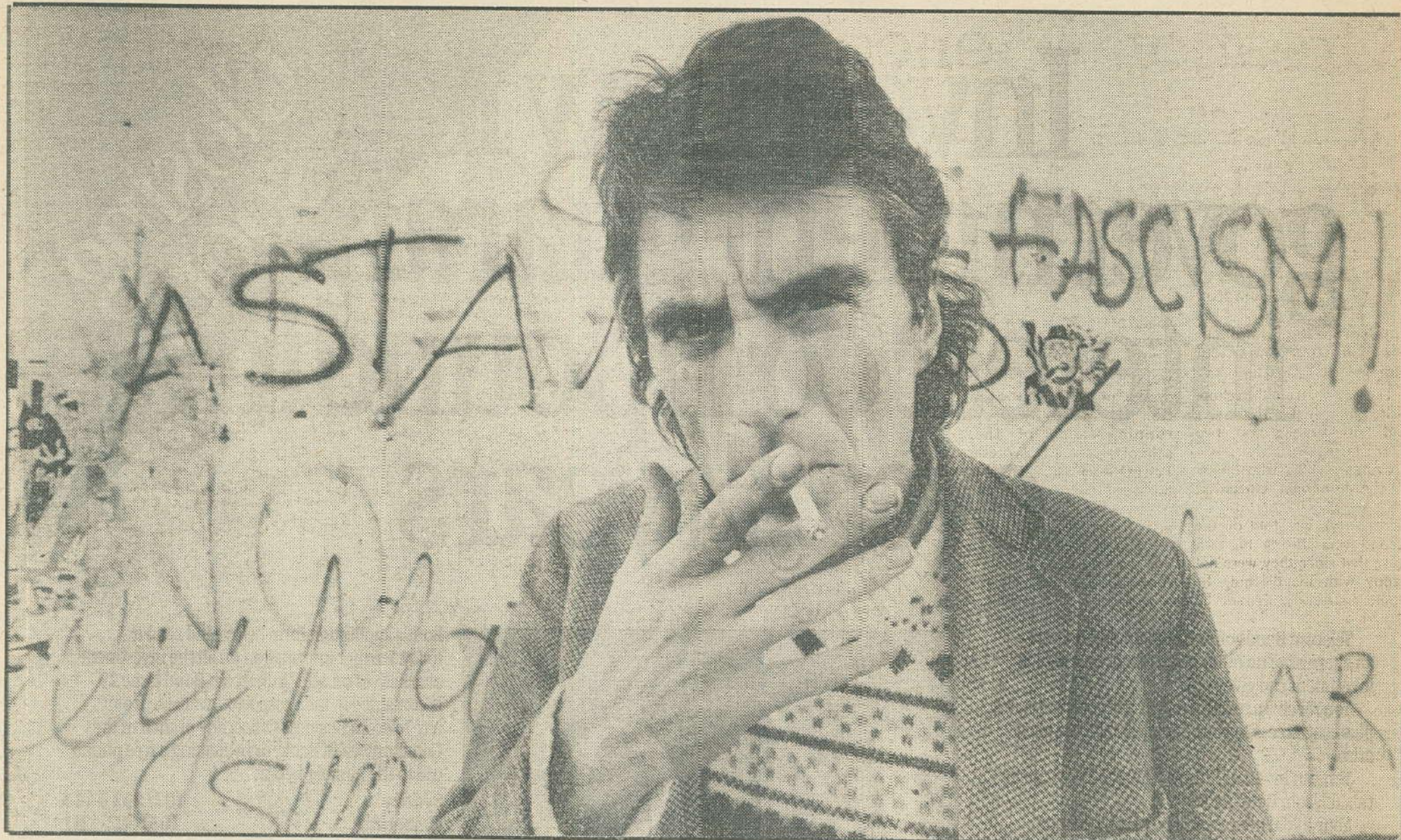
It started with export levels of 450,000 tons of chips per annum and the quota now stands at 850,000 tonnes per annum.

In 1984, the company exported 900,000 tonnes of chips with Federal Government approval. One of the conditions for granting the extra tonnage was that H-DA had to complete the EIS by October 1985.

The EIS has only just been delivered, eight months after it was formally due.

If John Kerin gives H-DA the go-ahead, it will have to reconsider the question of Australian equity and the establishment of a pulp-mill.

There will no longer be any reason to delay these projects.



Phil Motherwell ... "Even when I was really over my head in dope, I was still writing."

PETER RAE

Back from beyond the brink

JAIL HAS been a theme for Phil Motherwell, in his work and lately, his life. His plays have often dealt with the underworld that drifts into and around prisons.

As an actor, he appeared in *Stir*, the feature film based on the Bathurst prison riots. Last year he was sentenced to jail for robberies he had committed to support his heroin habit.

Phil Motherwell does not think he will return to jail, or heroin. He talks about the experience of prison with a quiet, reflective matter-of-factness.

"I guess everyone who gets out of jail for the first time says that they won't go back. I just feel in myself that I won't, not for something like that ... and dope has cost me too much. In terms of my work, my kids ... it's just taken so much from me, I've got nothing, a pile of manuscripts and a typewriter, that's all I own. Not that I want very much."

He speaks very slowly, his voice almost down to a whisper: "But I guess ... it's funny, I've learnt a lot from all this and I want to do something else with my life now."

As a schoolboy at Melbourne's Brighton High School, Motherwell loved doing plays. He always knew he would write, he says. He likes to talk about language, about writing, about writers on writing: lovingly, gently, anxiously.

He is shy, but also scrupulous, in the way he sets out his views. His expression is deceptively fierce; he has a rare, brilliant smile that transforms his whole face.

After eight months in remand and eight months in Pentridge A division, Motherwell is out, taking part in his first theatre production for five years. It is a reworking of a 1982 piece, *Held In Camera*, which looks at some of the legends about secret societies that existed on the convict hulks in Port Phillip Bay. It draws on *Deathwatch*, a play by the French playwright Jean Genet, written while he was in prison.

Motherwell became involved with Melbourne's inner-city poetry and theatre scene in the late 1960s; his first play, *The Weight*, was staged at La Mama in 1973. He went on to write for La Mama and the Pram Factory, worked as an actor, director, writer, and was part of the tremendous surge of theatrical energy that took place in Carlton in the 1970s.

Actor and director Lindzee Smith, in his introduction to Motherwell's best-known piece, *Dreamers of the Absolute*, wrote:

By PHILIPPA HAWKER

"Motherwell's plays are all about the urban proletariat, the cops and the crims, the hookers and pimps, the junkies and the cops, the agents and the terrorists — *the underbelly of the beast*." He regards Motherwell as one of the overlooked of Australian playwrights.

"It seems that the Australian theatre could not support a talent so exotic, so chaotic, so esoteric, so abrasive and yet so exquisite," he said.

Motherwell makes it clear that writing has been a natural and constant part of his life. "Even when I was really over my head in dope, I was still writing. In fact some of the stuff I wrote then is among the best I've ever written. It's not good because I was on dope," he adds, shrugging.

He then mentions a short story that is a favourite of his. "I think it's a magic story, and I've got no clear memories of actually having written it, although I know I did. People have said to me, if you hadn't been on dope it might have been a novel, a 600-page novel."

For the time being, his energies are devoted to *Held In Camera*. He has another play he wants to write, from an idea he had while he was in jail.

IN PENTRIDGE the written word flourishes in a particular way. "Writing is alive and well in jail. I met some really good writers ... people who would never have written outside," he says firmly. Poetry took on a meaning for him that it never had before. "I couldn't really write in jail, I couldn't get the time or the privacy. I couldn't finish anything. You'd be sitting out in a concrete yard with wire on the turret, there's only one bench and 70 blokes and you'd get a corner of the bench and start writing, and there'd be all this ..." he leaps up suddenly to mime 70 people peering over his shoulder to see what he was doing.

"Then you get up to go to the toilet and the corner of the bench is gone. It was impossible. But I found ways to get out of the yards and find places to write. I learned the ropes."

"I've never been to jail (before), and I wasn't very good at being a prisoner. A lot of guys, you see them in jail and they've got it totally together, the whole situation under control, you see them outside and they're lost."

He quotes Jack Henry Abbott, the long-term prisoner who became a protégé of Norman

Mailer, and who wrote a widely acclaimed book, *In the Belly Of The Beast*. "Abbott says that basically it's the poor that go to jail. He says that the most brave and the most imaginative are mixed with the most stupid and the most cowardly, and it's that mixture which causes the ugly side of jail."

"I reckon I had a pretty easy ride. Partly being a bit older, having knocked around a bit, knowing how to handle myself. And I kept bumping into people I knew in remand, there mainly for drugs. Jail has really become part of the drug scene. I find it really depressing and a shocking waste of time and lives. From the moment society said this was illegal ... they turned their backs on the problem. It's worse than ignoring it, it's farming it out to organised crime and then attacking it with prison, it's horrific."

"And when you spend eight months (in remand) watching a procession of misery going through and coming back — I saw a lot of guys go through a couple of times — it's like the revolving doors in the public library, you just get caught."

In remand, contact visits were banned and he was allowed only as many possessions as he could carry in two shoulder bags. Prisoners are not allowed to leave anything in their cells. For eight months he saw his family through a dirty pane of glass, spoke to them on a phone covered with spittle. There was a four-day hunger strike just after he arrived, demanding contact visits.

"I met a few people I was really influenced by in jail, people who were thinking their lives through or in the process of doing it, and we just used to talk. We had these hilarious mad rave sessions. There are two in particular that I'm thinking of, guys my age with children, who'd got into a corner with drugs."

"They did bank jobs, but theirs were more carefully thought out than mine. They had guns. They got 12 (years) with 10 (years minimum) ... A pretty heavy weight."

Motherwell came off heroin cold, just after his arrest. "It's nasty, but it takes less time," he says. "Getting off was part of a collapse of my entire life. Everything was just falling to bits, and it was what I had to do to survive. To do something I had to try just that bit harder." He had made four previous attempts, had been on a methadone program, but had always gone back to drugs.

Just before the robberies, he had tried to enrol in a treatment program, but was told it would be months before he could be admitted

as an in-patient. He couldn't afford to wait that long. He made off with \$5,700 from three banks and building societies. They were fumbling attempts; he did not carry a gun, and escaped on foot or public transport.

He calls the robberies "a good reference to my ability as an actor. I really don't know how I got away with it. I knew there was a pretty good chance I would go to jail, but I thought I was headed there anyway."

WHEN HE was in jail, he read the newspapers voraciously. In January this year he saw an article about Eben Durrant, a precocious and talented 13-year-old clothes designer, who hanged himself. Something about Eben's story captured Phil Motherwell's imagination, and he started to write a story about the boy. "I wanted to write about it for a whole lot of reasons," he says. "It was probably because I felt very alienated myself."

He has a detailed story in mind, which he tells with urgency and warmth. It is not based particularly on what he has found out or knows about Eben, more on what he imagines were the predicaments of a gifted and apparently mature child who was pushed to extremes — "a child more successful than most adults, but although there are areas where he can speak as an equal, there are whole areas of his experience that are really, underdeveloped."

Some newspapers suggested that Eben had been far too obsessed with singer Nick Cave. They suggested that the music Eben had been listening to before his death might have contributed to his state of mind. Motherwell is splutteringly angry at any such implication.

"I thought that was such a scandal, I thought it was the most unprincipled swinish journalism I'd come across, and I wanted to write about that too. I wanted to look at fashion, at a young kid finding his identity through the role model of Nick Cave, at the blues, that sort of thing."

He frowns as he speaks. "There's one thing that's been bugging me. It's a bit presumptuous, picking up a newspaper article and saying, 'Oh I know what that's like' — there's an arrogance about it ... Should you deal with something like that by examining it from all sides in a documentary manner, or have you got the licence to incorporate it into something imaginary?"

Continued on page 16

HOLLOWTREE Enterprises Pty Ltd, the family company of a New South Wales entrepreneur-grazier called Ron Newbury, wants to become Queensland's first export woodchipper.

In April, Hollowtree was granted a five-year licence to export 250,000 tonnes of woodchips a year, but now the company wants to increase this tonnage dramatically — before it has begun operations or even negotiated contracts.

Woodchippers in the southern States and Western Australia hold export licences for about five million tonnes of chips a year, but until now Queensland has been left alone by the exporters.

Queensland also has a second woodchipping proposal, by Yarraman Hardwoods, to export 500,000 tonnes of chips a year through the central coast port of Gladstone. Directors Shane and Leigh Woltmann have their registered office in Kingaroy, in Premier Sir Joh Bjelke-Petersen's Barambah electorate.

Hollowtree proposes to feed two hardwood chip-mills with waste from sawmills, thinnings from State forests in northern NSW and trees cleared from its land in Queensland.

But conservationists and sawmillers fear that the security of the jobs to be created, and the multi-million-dollar investment in infrastructure, will be used to justify clear-felling on private land in the future.

The Federal Minister for Primary Industry, John Kerin, granted the export licence without requiring an environmental impact study (EIS), or proof of the project's economic feasibility.

Letters obtained by conservationists from the Federal Department of Arts, Heritage and Environment under the Freedom of Information Act (FOI) show it advised the Department of Primary Industry that: "... given the public's current sensitivity to any woodchip proposal, we need to be able to demonstrate that environmental matters were fully considered in the making of a decision on export approval for this project".

The Environment Department said it was "desirable" that Hollowtree Enterprises be made subject to provisions of the Environment Protection (Impact of Proposals) Act, which would have required detailed assessment of the proposal.

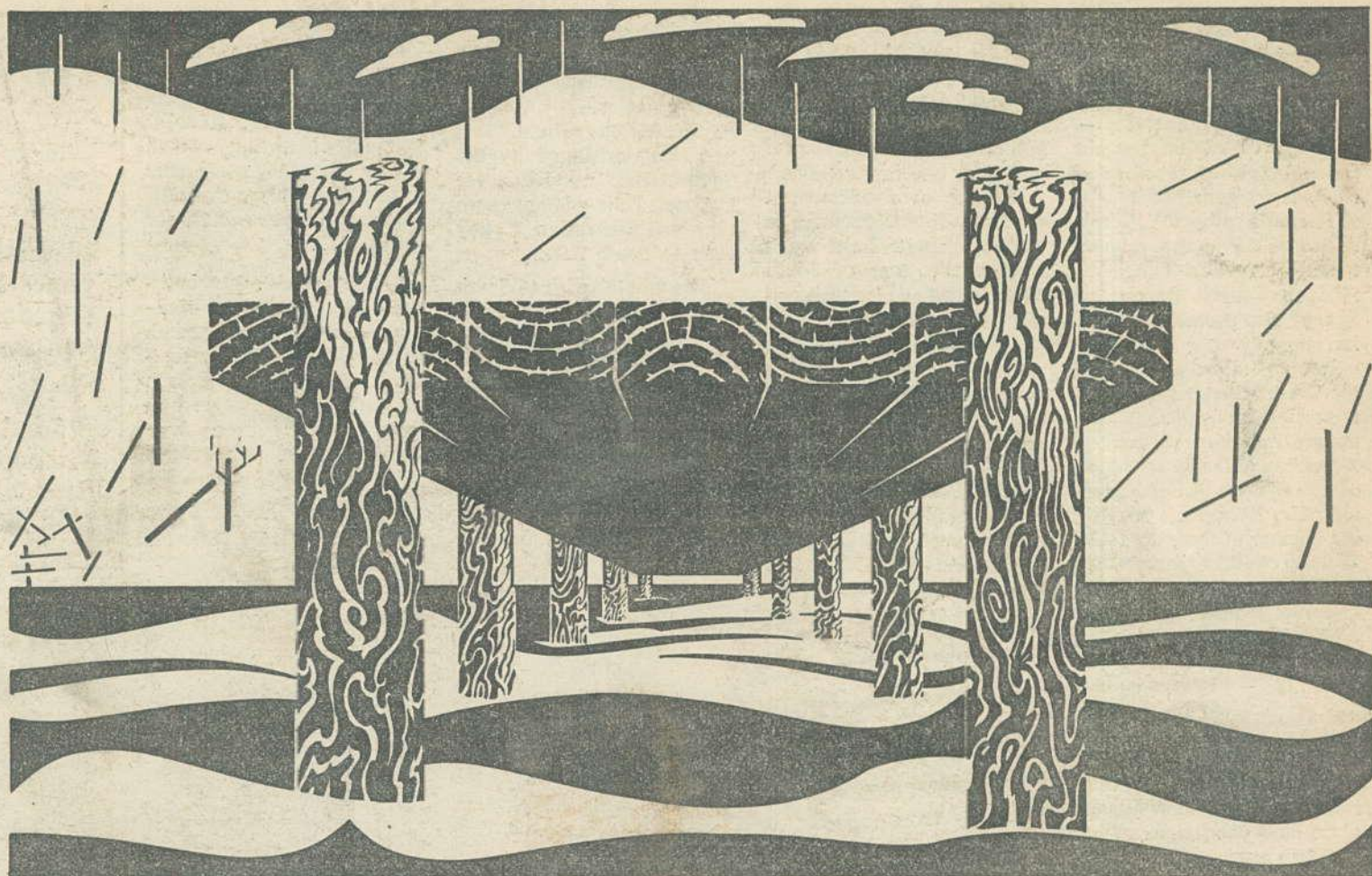
In background notes, the Environment Department felt: "With the lack of firm evidence that the company will have access to sufficient material to support the project, there is a risk that less environmentally-acceptable material will be eventually used to fill contracts after issue of an export licence."

But Kerin's final decision on Hollowtree was made without the knowledge of the Environment Minister, Barry Cohen.

Queensland Conservation Council co-ordinator, Liz Bourne, has told Kerin that he betrayed Labor policy, which required an EIS and evidence of sustained yield for export woodchip proposals.

In contrast, Yarraman Hardwoods' proposal to use mill waste and unwanted trees from State forests will be assessed under the Environment Protection Act. An EIS may be required before an export licence is granted.

Bourne wrote: "... the experiences from other States would suggest that commercial pressures eventually lead to an expansion of



Woodchippers turn their sights on Queensland

By MURRAY HOGARTH

such industries into other forest resources in order to sustain their viability".

Hollowtree is asking Kerin's department to at least double its tonnage. But Ron Newbury, of Rimbada property, near Armidale, has declined to discuss his plans by telephone.

NSW forester John Brandis said Newbury had motel/hotel interests in Newcastle, but was a newcomer to the woodchip industry. Newbury and his wife Marje are co-directors of Hollowtree.

A spokesman for TNT Bulkships, which will handle transport for Hollowtree, told The National Times that economics demanded a bigger export tonnage.

"We have done our costing and feasibility studies and that information is confidential," he said. But he added: "It's not much good having a licence for an amount of chips which is insufficient."

Kerin's department says the new talks are based on a plan to use thinnings from State pine plantations north of Brisbane to produce softwood chips.

The Queensland Department of Forestry has

been approached by Hollowtree, but also has expressions of interest from others for short-term and long-term use of thinnings from its plantations.

The hitch is that the department says it won't approve a long-term export industry based on its pine plantations. It wants a local pulp-mill to be established.

Queensland's Conservator of Forests, John Kelly, said woodchip exports would require the building of a special loading facility at the Port of Brisbane. Hollowtree originally proposed using TNT's Brisbane coal loading facility.

"They can't use coal loaders," Kelly said. "The Japanese don't want any sort of coal dust near their chips."

Kelly said Hollowtree possibly could seek timber from private properties to meet the need for more chips, but: "The availability of large volumes of second grade wood in compact areas is pretty limited in Queensland."

Clear-felling, which has caused outrage in other States, is banned in Queensland's State forests. But the Forestry Department admits it has no control over private land, which provides mills with 40 per cent of saw logs.

Any woodchip export industry using private

timber would create a new financial incentive to clear land, said Kelly.

Roy Atkinson, manager of Kruger's Sawmill, Ipswich, said that while a mill might offer a farmer \$10,000 for selected logs in a paddock, a woodchipper might bid \$20,000 and take all the trees.

"The way some of the farmers are going these days, I wouldn't be surprised if they sold the whole lot," he said. "In South Australia and WA you cannot even pull a piece of scrub up without getting approval, but in Queensland it is still very open."

Hollowtree's licence bid contained no answers to the logistics of bringing hundreds of thousands of tonnes of waste to central chipping mills.

Many small mills produce only 10 to 20 tonnes of waste a week and burn it because of transport costs.

The going price for woodchips is about \$50 a tonne at the dock — or about \$12.5 million for 250,000 tonnes.

Hollowtree proposes to build new chip-mills at Oakey, near Toowoomba, and at Coffs Harbour in NSW. Waste, logs and chips would have to be transported hundreds of kilometres.

● The little known woodchipper in Eden, page 41.

Reporters charge ex-CIA men over bombing

TWO FORMER CIA officials at one time linked to the defunct Nugan Hand merchant bank have been named as defendants in a murky, multi-million-dollar civil damages lawsuit filed in Miami, Florida.

The former officials are Ted Shackley, who back in November 1975 was the central CIA figure in the Whitlam Government's national security crisis over Pine Gap; and Tom Clines, a one-time agent in the Cuban Bay of Pigs operation who later became a private arms dealer doing business with Nugan Hand, among others.

The two were named in the Florida damages suit along with 28 other defendants including the leader of the US-backed Contra rebels fighting the Nicaraguan Government; the chairman of the World Anti-Communist League, which supports the Contras; and the head of an Alabama mercenary outfit that trains Contras in Honduras and Costa Rica.

The lawsuit charges that the 30 defendants were all, in large part or small, tied in to a criminal conspiracy, "involving gun-running,

By MARIAN WILKINSON
WASHINGTON

drug smuggling and murder". That conspiracy, charges the lawsuit, led to the terrorist bombing of a press conference in Nicaragua in May 1984 which left eight people dead and over two dozen injured — most of whom were reporters.

The suit, which is a civil not criminal action, is being brought by one of those injured in the bombing, Tony Avirgan, who works as a cameraman for several US television networks and as a radio reporter for the US National Public Radio network. His wife, Martha Honey, a freelance reporter for the Sunday Times and the BBC, is the second plaintiff.

Representing the reporters is well-known Washington civil rights lawyer Danny Sheehan, who mounted the lawsuit which finally won a \$10.5 million settlement for the family of anti-nuclear activist Karen Silkwood.

According to the documents filed with the

US District Court in Miami, the alleged "conspiracy" between the 30 defendants goes back to May 1983 when a Miami cocaine trafficker, Paco Chavez, agreed to finance a small group of Cuban Americans to open a rebel "Southern Front" along the Costa Rica border to fight the Sandinista Government in Nicaragua.

At the time, the main US-backed Contra group, the FDN, was fighting from Honduras in the north while the southern front had been left to the mercurial chief of the rival ARDE Contra faction, Eden Pastora, who was more often than not out of favour with Washington and the CIA.

The Cuban Americans, according to the suit, had hoped to persuade Pastora to link up and work with them.

Arms for this new "Southern Front" were allegedly purchased, through intermediaries, from Shackley, Clines, and two others named in the police reports on Nugan Hand: Richard Secord, a former senior Pentagon official, and Rafael "Chi Chi" Quintero, a former contract agent for the CIA who worked under Clines in the Bay of Pigs

operation.

These four also featured heavily in the US Justice Department's investigation of rogue intelligence agent Ed Wilson, now serving a lengthy prison sentence. Before his arrest, Wilson supplied terrorist equipment and training to Libya's Colonel Muammar Gaddafi.

Money to buy these arms came, the suit charges, in part from cocaine profits earned by the Cuban American mercenaries who were used to guard cocaine shipments and refuel drug flights in Costa Rica. Additional funds were allegedly supplied by the World Anti-Communist League, headed by retired General John Singlaub.

Both Avirgan and Honey have spent two years investigating the La Penca bombing. They were backed by the US Newspaper Guild and the Committee to Protect Journalists.

Shackley, Clines and their two colleagues have made no comment on the case. Some of the 30 defendants, in particular General Singlaub, have heatedly denied the charges and condemned the suit.

Dexter is also the spokesman for South African Airways, which advertises South Africa heavily in major newspapers and magazines — although SAA is booked out for months ahead because of flight restrictions.

The ads promote South Africa as an idyllic, relaxed tourist destination. The South African Tourist Bureau in Sydney also promotes a similar image.

But more direct defences of the South African system are appearing in the letters columns of our daily newspapers. According to the letters editor of The Sydney Morning Herald, Kim Robbins, a surprising number of these are fakes — when checks are made their authors are either non-existent or deny having sent the letter.

She said that this year the Herald had received more than 30 — 10 times the number received on the next most controversial topic, abortion.

As for the "real" letters received: "They seem like an organised campaign, many look like photocopies or form letters. They seem to be on the same lines, not the exact words, but in the same form, so the paragraphs read the same. Usually the first paragraph says, 'We have no right to judge as we haven't been there'; the second says, 'Look at the rest of Africa', and the third says 'Clean up your own backyard first'."

Talk show host Mike Carlton also thinks there is an organised campaign: "There is a similarity in a lot of the calls of the South African sympathisers. You can't prove it, but I think they have been given a list of points to make. Often the line is: 'Have you been to South Africa?' It is a completely irrelevant question to deliberately cut down your credibility."

The South African Embassy denies any involvement in organising a letter-writing or phone-in campaign.

In 1980, the New Zealand magazine, The Listener, examined three pro-South African letters it had received, two from private citizens, one from the South African Consul-General.

The letters, which contained identical passages, were submitted to document experts who found that all three had been written on the same typewriter by the same typist. The letters contained identical misspellings and identical corrections.

Certainly some right-wing, racist groups in Australia urge their members to support South Africa, although their views are probably to the right of the present Government's.

The extremist League of Rights regularly supports South Africa in its publications. The Intelligence Survey of April 1986, edited by League of Rights leader Eric Butler, bases one article on the assumption that African blacks would have a far lower IQ than whites. "He [the black] can only with difficulty foresee what is likely to happen three months hence."

South African Consul Tom Wheeler said: "We have absolutely nothing to do with them." He said he would not encourage or talk to a group like the League of Rights.

When told that The National Times had a copy of a League of Rights booklet advertising him as guest speaker at its regular meeting at the Sydney Conservative

Speakers' Club on May 27, Wheeler said: "I speak to anybody who would like to hear what I have got to say. I received the same sort of polite hearing I would receive anywhere else in Australia."

But the area of greatest expenditure for Pretoria is probably sport. Last year's rebel cricket tour of South Africa relied on secret government funding of \$3 million.

Apart from its PR value, sport is of immense importance to South Africa. Eddie Funde, the Australian representative of the African National Congress, says: "White South Africans are sports fanatics and the Government needs to demonstrate to them that whatever happens

with sanctions they can never be isolated."

Australian Rugby coach Alan Jones recently went to South Africa with a "full program" arranged by the South Africa Foundation. He had stated his willingness to take an Australian Rugby team to South Africa.

This month's visit to South Africa by the Lord Mayor of Sydney, Alderman Doug Sutherland, during which he spoke out against economic sanctions, illustrates the effectiveness of the South African propaganda machine.

But the image it promotes can be a precarious proposition for those who buy the line.

On June 14, 1976, The Times, published a story by a senior reporter on his return to London from an extended trip to South Africa. It said: "Whatever is stirring in South Africa, it is taking place more among the whites than the blacks. It is not a revolution or violence ...

"The two elements indispensable in any popular uprising are both missing in South Africa. One is a deep resentment, and the other a freedom to strike at the governing system ... If there is a revolution brewing behind those smiles, it is remarkably well hidden."

Two days later, Soweto exploded.

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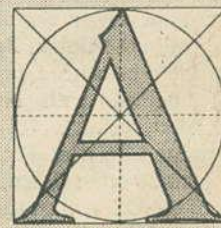
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Getty keeps the world's art markets hopping

"YOU can criticise a man's wife, his children, in fact, almost anything about him," Jean Paul Getty once remarked. "But, if you criticise his taste in art, you offend him mortally."

The womanising scrooge is no longer alive to be bothered by barbs. His remains, however, are buried next to an institution which, bearing his name and armed with his money, arouses heated opinion in the international art world.

The J. Paul Getty Museum was loathe to admit its founder and prime benefactor was interred on the museum's grounds high above Malibu. A spokesman said, "There's no possibility of visitors going to the grave site." Getty, as paranoid about security in death as he was in life, has his tomb surrounded by closed-circuit television cameras.

Not far from his grave site sits his legacy to the world, the museum. He opted for a replica of a first-century Italian villa, which draws on the spirit of its patron, showing off his taste in art: Greek and Roman antiquities; 17th- and 18th-century paintings — Old Masters — and French furniture from the same period. It is also the richest museum in the world.

The J. Paul Getty Trust, which administers it, has an endowment valued at over \$US2 billion, and under US law must spend between \$100 and \$120 million a year, or 4.25 per cent of the market value of its endowment. This has given the Getty an enviable reputation in the art market, one that's brought it many enemies.

The museum is thriving. It's taken a leaf out of the Getty book as summed up by Jean Paul's daughter-in-law, socialite Ann Getty: "I think it's possible to be very rich and happy and, I suppose, very poor and happy. But it's easier to be very rich and happy."

One has to be at least rich enough to afford a car to visit the Getty. Entry is gained only if one has reserved a parking space. Otherwise, it's free, in keeping with the wishes of the man who was obsessed with tax avoidance.

Once up the winding, cobbled driveway, the towering villa in southern California is sighted: its arches and glimmering green pond, its muted orange and brown friezes, its marble and onyx walls, its manicured gardens — even the herb garden is supposed to resemble that from Roman times — all give the villa a hot, comfortable feel.

By DAVID HAY
in LOS ANGELES

When the Getty opened in 1974, a critic called it "a multi-million-dollar piece of unintended folk art". Others compared its kitsch value to that of Disneyland. Perhaps in this decade, with its stress on architectural flourish, such sentiments would be revised.

Rooms with domed ceilings and brightly hued walls — brilliant turquoise, bright off-red, luminous green — opening into the inner peristyle garden, house a vast collection of antiquities: Roman busts circa 100-200 AD, a mosaic room, The Elgin Throne from 4th century BC, and a wonderful selection of Greek urns.

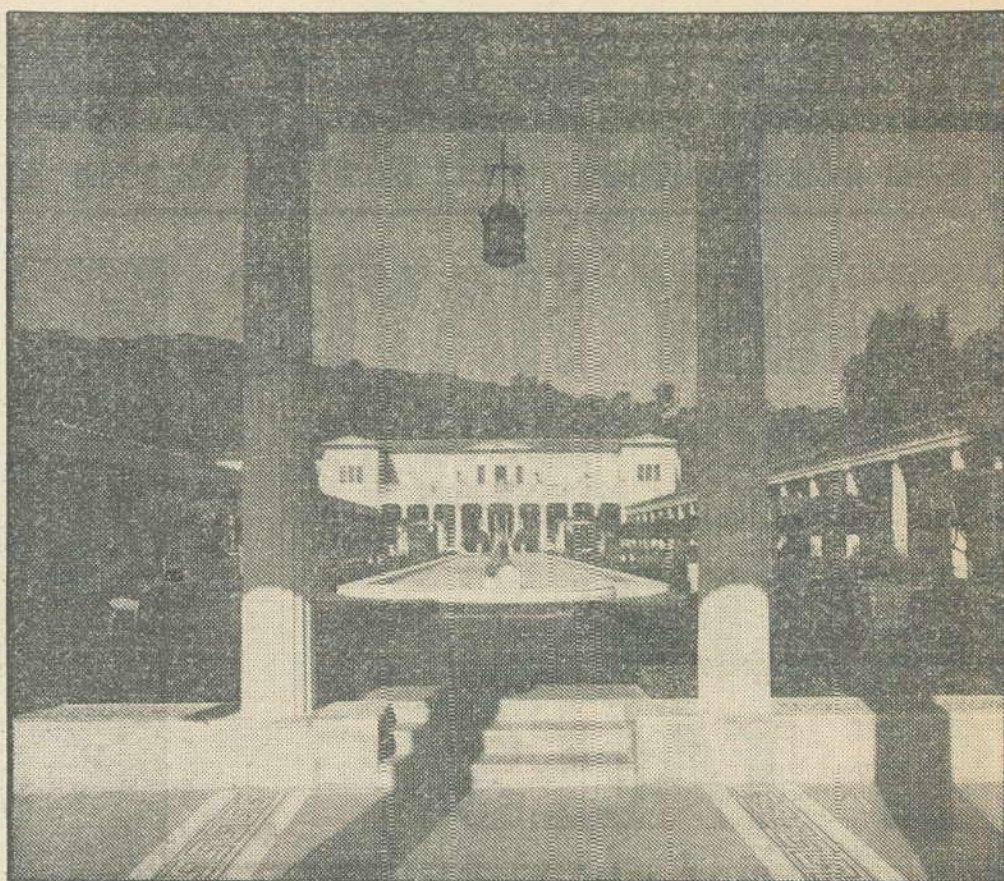
Upstairs, the Old Masters and French furniture inhabit a standard, much more sombre, set of galleries. An artificial hush is broken only by the sound of senior citizens video-taping a Rembrandt or a Poussin. A Versailles-like kitsch reigns with French tapestries hanging over the ornate furniture.

By 1993, however, the newer antiquities will have another home. The Getty is building a new fine arts complex close to Bel Air.

The site is large (295 hectares) and expensive — \$25 million — and has the services of fashionable museum architect Richard Meier. It is necessary to cope with the expansion of the Getty art empire. Not only will the museum have a grand annex but so too will its many spin-offs in art-based bodies which include the Getty Art History Information program, the Getty Centre for Education in the Arts, and the Getty Conservation Institute.

The museum is also expanding its areas of interest into decorative arts, illuminated manuscripts, and, most recently, photography. The push out of Malibu is sending shock waves around the world's art markets — particularly in Britain where enmity towards J. Paul himself lives on. (In 1971, Getty paid \$US4 million to buy a Titian from the Earl of Harewood. The English were outraged and mounted a public collection to keep the painting home. Getty complained the fund raising took a year and he lost 6 per cent interest while his \$4 million was tied up).

Last year, one of his sons, J. Paul Getty Junior, who, like all Gettys, is estranged from



The Getty... described by a critic as "a multi-million-dollar piece of unintended folk art".

his family, gave \$500,000 to a British campaign to keep the 14th-century painting, The Crucifixion of Jesus by the Siennese artist Duccio in England. "I was fed up with everything streaming to Malibu. It's time somebody stopped it," said Paul Junior. He was thrown off the museum board some years earlier. Last year he gave \$50 million, no strings attached, to London's National Gallery.

While the Getty's entry into the photography market has buyers flutter, its impact on the market has been less spectacular and inflationary than was first feared. Bret Waller, from the Getty's Department of Education and Public Affairs, says the worries felt two years ago by buyers and museums, when the size of the Getty's purchasing power became public knowledge, have largely been allayed.

As for Getty's techniques, they, too, appear straightforward. Rumours about Getty buyers crisscrossing the globe on an indiscriminate buying spree seem unfounded. Francis Beatty from the Richard O. Feigen gallery, specialists in Old Masters in New York, said, "People can't rush around the Old Masters market without us knowing who they are. It's not hard to identify the people from the Getty."

One recent Getty purchase, however, has the art market hopping. Annunciation by the 15th-century Flemish painter, Dieric Bouts, was bought by the museum for a reported \$US7 million. It had been previously sold to collector Ronald Lauder, from the cosmetics

family, but Lauder reneged on the deal because of doubts of its authenticity.

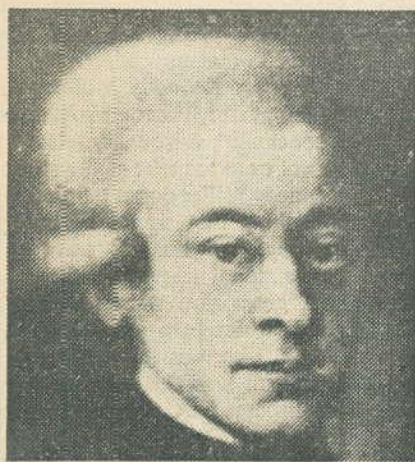
The London Times, which has run a series of articles on the controversy, has offered to pay for experts from the National Research Centre for Flemish Primitives in Brussels to fly to Malibu and check out the work. The Getty has refused to see such visitors. The painting, exhibited at the Metropolitan in New York in 1984, is real, according to its new owners.

Doubting the Gettys' assertions has become run-of-the-mill fodder for experts writing in international publications. A spokesperson for Art and Antiques said the attribution of the painting to Bouts "is very shaky", claiming it "was bought because they have to spend so much money by the end of the financial year".

The museum's response resembles the private, occasionally vengeful, attitude J. Paul Getty took towards the world. His reaction to poor reviews received by the Malibu installation was to consider moving it. Perhaps to his birthplace, Minneapolis. He hated criticism.

The museum itself, the work of the ultimate private enterprise mind, is sometimes uncomfortable in public. But with its hefty endowment and expansive future plans, the Getty can't help but become an opulent monument to its founder. Jean Paul would have been pleased. This tycoon, who professed admiration for both Hitler and Nero, believed "an individual without a love for art is not completely civilised".

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THE ARTS

TERRY HAYES: PASSIONATE TELLER OF TALES

By SUSAN MOLLOY

WHEN WRITER and producer, television whiz-kid and Mad Max co-maker Terry Hayes jauntily steps out in Kings Cross, the whistlers, spruikers and beckoners outside the strip clubs dip their carnival hats in recognition.

"They know a fellow spruiker when they see one," says the almost-35-year-old, with a grin. The writer and producer of television's landmark series, *The Dismissal*, co-writer of the film *Mad Max 2*, co-writer and co-producer of *Mad Max Beyond Thunderdome*, co-producer of Network Ten's *Cowra Breakout*, co-writer and co-producer of the network's *Bodyline*, and co-writer and producer of *Vietnam* (to be seen next year on Network 10), has a reputation for hard-selling his ideas to normally unemotional television executives.

Adjusting his ridiculously wide tie, as deliberately out of time as his long hair, Terry Hayes' Cockney-like English face broadens with grins as one dimple appears and his pale eyes get engulfed by his fast-talking humour.

"I'm a story-teller," he says. "I would hate to be like a used-car salesman. I could not do that. They are good stories. It is not Terry Hayes doing an act. I couldn't stand up (in front of television executives) and do it as a performance. Those stories I have thought a lot about and care about."

"*Vietnam* is a 20-week shoot, altogether it will be 16 months of my life. You have to have it burning inside you. Then you go out and talk to Channel 10, not to sell them something, but what comes through is that you really care about it."

"I don't see myself as a person who can sell stories. I just get enthusiastic. They respond. I just go out there and rabbit on. One of the programmers told me recently, 'Keep it short, Terry, you've only got two hours.' I talk a lot."

"I think writers generally are committed. To sit down in front of a blank piece of paper is a fairly scary experience. The thing that gets you through is the commitment to the story and how you are telling it."

"It is hard to make a fool of yourself in journalism. It is bloody easy to make a fool of yourself before millions of people on TV or film. I am motivated by not wanting to screw it up."

"I am a sucker. I cry at movies. If it is a comedy I want to laugh until I can't think. You have to touch people."

Hayes is one of the triumvirate of the title-hating production house, Kennedy Miller. If he has any sort of title, it would be writer and producer, working with George Miller and Doug Mitchell. "Friendship is not

important," he says of the triumvirate. "It is whether you have respect for each other. It is a matter of whether that person has something unique to contribute. Liking is nothing to do with it."

No razzle-dazzle points the way to Kennedy Miller's offices in Kings Cross. Sometimes there is a crew truck parked in the narrow street with a Texta'd piece of cardboard on the windscreen which points the way.

Offices and production are cluttered close in the labyrinthine mass of the old Minerva Theatre. On these stairs, a young John Meillon met Laurence Olivier when he toured Australia in the '50s. The musical *Hair* in 1969 was the last notable production when the theatre was the Metro.

The Metro's sign, extant and black, is the last pointer to the art deco building's theatrical past. Then it became an unsuccessful supermarket. The exterior, now protected by the National Trust, was painted cream and orange and the orange lettering "food fair" remains. Kennedy Miller bought the building five years ago.

"I never thought I would work in movies," says Hayes, once a copy boy at the *Daily Mirror* (with a former *Mirror* reporter, Richard Mortlock, he is now writing the screenplay for one of four Kennedy Miller/Network 10 Bicentennial telemovies, *The Clean Machine*, about one honest policeman's struggles against corruption. Its first seven minutes has no dialogue).

He did his cadetship with The Sydney Morning Herald, which sent him to its New York office. Most of his reports were for The National Times. Back in Sydney, he worked on the Herald's investigative team and renewed his friendship with Derryn Hinch, whom he had met in New York.

Hinch persuaded him to move to The Sun and later to 3XY Melbourne as producer of Hinch's then low-rating radio show. The two have been friends for almost 15 years. "I think that warrants some sort of award," says Hayes.

The first *Mad Max* film was about to be released, and well-known Melbourne publisher Morrie Schwartz asked Hayes to write a book from the film. He did.

"I always thought I would be a journalist for a while then go on to write novels," he says. "George

showed me a rough cut of the movie and I said, I don't understand it. I didn't even have a driving licence and knew nothing about cars. George laughed and I laughed and we got on."

"I WAS under the impression that George knew something about writing and drama. I was certainly lost and then there was this dreadful realisation that my guide was lost too. We admitted to each other we were babes in the woods. There was only one thing to do."

"We had to get out there and be really aggressive in talking and reading and thinking. We had to get to the core. What is drama? The people who would know are the playwrights. We got all these books about playwriting. It took a long time. Journalists can make very fine screen writers."

Hayes is well known for his view that dialogue is what you use when you're desperate. Conflict makes

drama, not words. "If you want to write dialogue you write radio plays, or stage plays. My problem is that you want to write and you have to keep saying, no, can we do without words? It helps the audience: they have to watch it."

And despite the success of the *Mad Max* films, he believes too many films are made in Australia.

"Everybody in Australia watches television," he says. "I'm interested in both. I want to be a multiple-threat player, as it's called in baseball, someone who can bat and field and pitch."

"People have disparaged television. They don't understand television. They say it's just junk. It's not. It's a smorgasbord, there's a choice from junk food to some terrific shows. If you only want dessert, you have a choice, you can eat only dessert."

"I am not sure I want to go home

each night and watch performances from the Sydney Opera House or the Adelaide Festival. And audiences know what junk is. They are far more intelligent than television-makers give them credit for, and that is television-makers collectively."

"I guess Kennedy Miller want to do things which become something of a benchmark for quality television. I do not want to make games shows, or Kennedy Miller doesn't, unless it was something that would be bold and exciting. We do not want to do conventional television."

"I guess you want to tell really good stories in a good way."

Mad Max was the explosion. The *Dismissal* was the benchmark. The actors come from the stage, the crews from feature films, the writer is often Terry Hayes, while the Kennedy Miller television outlet is Network Ten. It has almost become a formula.

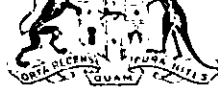
Finance is mostly raised from private sources and is a secret matter. The mini-series *Vietnam* has a budget of \$7 million, while each of the four Kennedy Miller/Network Ten two-hour telefeatures is costing around \$1.5 million.

The writer, the ex journo, the salesman, the producer, is looking pleased with himself. He lights another rollie. "I happen to love making movies," he says.



Terry Hayes . . . "I want to be a multiple-threat player, to bat, field and pitch."

QUOTE: *It is hard to make a fool of yourself in journalism. It is bloody easy to make a fool of yourself before millions of people on TV or film. I am motivated by not wanting to screw it up.*



NEWS RELEASE

4 August, 1976

The Minister for Decentralisation and Development, Mr. Don Day, today announced the release of copies of two reports on proposed woodchipping activities on the North Coast.

Mr. Day released the reports to refute wild allegations of "Watergate-like" cover ups made by opponents to the establishment of a North Coast woodchip industry.

The State Pollution Control Commission's report was compiled in November 1975 while the State Development Co-ordinating Committee compiled its report in February 1976.

"Reason for withholding the reports was that they were incomplete and, particularly, the pollution report was superficial", Mr. Day said.

"The State Pollution report was compiled after only a two days sitting at Coffs Harbour", he added.

"The woodchipping industry in general comes under the portfolios of myself, the Minister for Conservation and Water Resources, Mr. Lin Gordon, and the Minister for Lands and Environment, Mr. Crabtree", Mr. Day said.

"My colleagues and I, together with the Premier, had decided to defer releasing the reports until Cabinet had made an overall decision one way or the other on a North Coast woodchipping industry," he added.

"At this stage all the reports would have been released".

Mr. Day said that policy agreed to included the following points, before he would make recommendations to the Federal Government for a Woodchip Export Licence.

- . The successful woodchip company must have majority Australian shareholding.
- . Sawmillers are to be given shareholding opportunity.
- . The company must contribute towards the capital cost of port facilities.
- . The company must satisfy the Government that the price obtained for the chips was reasonable.

Environmental policies agreed to at the A.L.P. State Conference are that woodchip production is to be derived from slabs, offcuts and dockings that would be rejected as wastes in normal sawmilling operations.

"Reclamation of sawmill and forest waste for conversion to woodchips will be encouraged," Mr. Day said.

He said no approval would be given to woodchip exports derived from trees felled on private lands until adequate statutory powers were established to ensure proper environmental control of tree removal and forest management on private lands.

Mr. Day said the woodchipping issue was one which had to be decided by Cabinet and this would happen after current further investigations are completed.



12 NOV 1987

PREMIER'S DEPARTMENT
NEW SOUTH WALES

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TELEGRAPHIC ADDRESS: MANIPRETE

STATE OFFICE BLOCK
MACQUARIE STREET
SYDNEY, N.S.W. 2000

5 NOV 1987

Dear Dr. Messer,

I am writing to let you know that the Premier has received your letter of 13th October, 1987 on behalf of The Nature Conservation Council of New South Wales concerning logging in Coricudgy State Forest in the Mudgee Forestry District.

Mr. Unsworth has taken the matter up with the Minister for Forests and you can be sure that your suggestion will be carefully considered.

Yours faithfully,

Secretary.

Dr. J. Messer,
The Nature Conservation
Council of N.S.W.,
176 Cumberland Street,
SYDNEY. N.S.W. 2000



EXCC.

OFFICE OF
MINISTER FOR PRIMARY INDUSTRY
THE HON. JOHN KERIN, M.P.

Parliament House,
Canberra A.C.T. 2600
Telephone (062) 73 1711
Telex 62308
Facsimile (062) 73 2194

05 SEP 1986

3 SEP 1986

Ms J Messer
Chairperson
Nature Conservation Council
of NSW
Level 1, 55-57 Wentworth Avenue
SURRY HILLS NSW 2010

Dear Ms Messer

I refer to your letters to the Minister for Primary Industry concerning the proposal by Hollow Tree Enterprises Pty Ltd to export woodchips.

Mr Kerin has approved the export of up to 250,000 tonnes of woodchips per annum by Hollow Tree Enterprises Pty Ltd for a five year period. The project is to be based largely on sawmill residues from northern NSW and southern Queensland, with some additional material from thinnings in NSW Crown plantations and pulpwood from private property owned by Hollow Tree Enterprises at St George in Queensland.

On receipt of the application from Hollow Tree Enterprises, the Department of Primary Industry sought advice from the Department of Arts, Heritage and Environment. That Department advised that an environmental impact statement would probably not be necessary, provided that certain conditions could be applied to the project. These conditions related to restrictions of exports to waste materials and the application of environment protection guidelines to the clearing and management of the company's property at St George. The export approval covers only sawmill wastes, timber from clearing on the property, which would be subject to compliance with appropriate environment protection guidelines, and thinnings from New South Wales Government hardwood plantations established for wood production.

The use of timber from the company's property is to be limited to 40,000 tonnes per annum in accordance with a management plan prepared by a reputable agricultural consultant. This level was set after the Queensland Forestry Department assessed the resource. The plan prepared by the consultant is particularly aimed at preventing clearance of erosion-prone or degradable

areas. The property was purchased with a view to agricultural development and, contrary to your concern, the woodchip activity enables the Commonwealth to exercise a control over the clearing it would not otherwise have had. Rather than encouraging large-scale clearing, the licence ensures environmentally sensitive clearing.

The company is aware that should it wish to obtain woodchips from any other source, it must submit a further application for export approval. Such an application would be subjected to environmental impact analysis to determine whether an environmental impact statement was required.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jeff Gilmore', with a stylized, flowing script.

Jeff Gilmore
Assistant Private Secretary

11th July, 1986

The Hon. J. Kerin,
Minister for Primary Industry,
Parliament House,
CANBERRA ACT 2600

Dear Mr Kerin,

re: Hollow Tree Enterprises proposal to woodchip

The Nature Conservation Council of New South Wales has already written to you (14th May 1986) expressing its concern over your approval for an export woodchipping industry to be commenced by the firm Hollow Tree Enterprises.

As stated in that letter, Council is concerned that the commencement of such an operation could lead to the extension of woodchipping operations to the point where forest residues are used and a more comprehensive integrated logging programme ensues.

In addition, logging of privately owned forests for woodchipping is of considerable concern to Council because of the lack of environmental safeguards applying to such operations. These concerns were expressed by members of our Executive at its most recent meeting. It was resolved to inform you again of Council's opposition to the inclusion of timber from private lands in export licences for woodchips, until such time as adequate environmental controls are instituted for timber extraction from private land.

Without environmental safeguards for private forest clearing, the granting of woodchip export licences by your Department will provide an incentive for uncontrolled vegetation clearing with adverse environmental effects in both the short and long term.

Council therefore urges you to revoke the woodchip export licence granted to Hollow Tree Enterprises until such time as environmental impacts of this operation have been adequately and publicly assessed.

Yours sincerely

Jocelyn Howell
PROJECT OFFICER

130x

14th May, 1986

The Hon. J. Kerin,
Federal Minister for
Primary Industry,
Parliament House
CANBERRA ACT 2601

Dear Mr Kerin,

Re: Hollow Tree Enterprises' proposal to Woodchip

The Nature Conservation Council of New South Wales understands from recent newspaper reports (Sydney Morning Herald, April 24) that you have given approval for Hollow Tree Enterprises to develop a new export woodchipping industry in far northern New South Wales and southern Queensland.

The article also reports that the approval will allow Hollow Tree Enterprises to export 250,000 tonnes of woodchips which "largely involves sawmilling and clearing of private property."

Although the Nature Conservation Council is not opposed to the use of sawmill waste and plantation thinnings, the Council is concerned by the possibility that woodchipping operations could extend to the removal of forest residues and encourage a more comprehensive integrated logging programme.

In addition, the Council understands that a portion of the woodchipping timber will come from private sources. Such practices are of great concern to the Nature Conservation Council as they actively thwart the Federal Government's action of removing tax incentives for the clearing of native vegetation on rural properties, which the Council believed greatly encouraged conservation farming and the national tree programme.

Although clearing of rural land continues the Nature Conservation Council believes incentive of possible remuneration by woodchipping companies, particularly during times of rural economic difficulty, will encourage rural landholders to undertake unnecessary and environmentally unacceptable clearing operations.

The Nature Conservation Council of New South Wales therefore requests you consider, as a matter of urgency, the matters the Council has raised, and outline what measures, including environmental impact assessment, you plan to undertake to ensure such incidences do not occur.

Yours sincerely,

Judy Messer
CHAIRPERSON

Kerin allows woodchipping plan without impact study

CANBERRA: The Federal Minister for Primary Industry, Mr Kerin, has approved a new export licence for woodchipping in Queensland without consulting the Federal Minister for Environment, Mr Cohen.

Mr Cohen was only informed of the decision after it was taken last Thursday and it was also made without an environmental impact study.

The new licence allows Hollow Tree Enterprises to export 250,000 tonnes of woodchips a year for the next five years.

The Australian Conservation Foundation called on Mr Kerin yesterday to release details of the proposal.

"There has been no opportunity for public comment despite woodchipping being a highly sensitive issue with the Australian public," said the foundation's national liaison officer, Ms Joan Staples.

A spokesman for Mr Kerin's office said that an environmental impact study was not considered necessary because the proposal largely involved sawmilling and clearing of private property.

SMH

24/4/86

Please reply to:
Canberra Office
Box 1875, G.P.O.,
Canberra, A.C.T., 2601
Tel.: (062) 47 3013
47 2472

Newsletter

ACTION
letter to
Kerin

30 APR 1986

28 April 1986



Australian
Conservation
Foundation
672B Glenferrie Road
Hawthorn Victoria
Australia 3122

Telephone (03) 819 2888
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Emergency Alert

Export Woodchipping Introduced to Queensland

In the last fortnight John Kerin has given approval for a new export woodchipping industry to be established in Queensland and northern N.S.W. by a company known as Hollow Tree Enterprises.

The 250,000 tonnes per annum to be exported is to be made up of three components,

- (a) sawmill waste from northern N.S.W.
- (b) thinnings from eucalypt plantations, and
- (c) the clearing of a large property in the St. George area of Queensland, which makes up about a quarter of the volume.

There are serious matters for concern in this proposal and the way it has been introduced:-

(1) THERE HAS BEEN NO OPPORTUNITY FOR PUBLIC OR OUTSIDE SCIENTIFIC OR ECONOMIC COMMENT ON THE PROPOSAL.

Not only has no environmental impact study been conducted, but as well, the Department of Primary Industry has been very uncooperative in supplying information.

[A smaller proposal than this, for the export of 200,000 tonnes from the Denmark region of W.A., is currently undergoing an EIS.]

(2) IT IGNORES ALP POLICY OF REQUIRING AN EIS AND SUSTAINED YIELD FOR EXPORT WOODCHIP PROPOSALS. (See p. 75 of Policy.)

(3) THE DECISION WAS MADE WITHOUT THE KNOWLEDGE OF MR COHEN AS MINISTER FOR ENVIRONMENT. (S.M.H. 24th April).

(4) WOODCHIP INDUSTRIES IN OTHER STATES WHICH ARE NOW VORACIOUSLY SWALLOWING UP OUR NATIVE FORESTS WERE GENERALLY BEGUN WITH A SIMILAR RATIONALE i.e. USE UP EXCESS WASTE.

Unfortunately they have grown out of control.

(5) LARGE NUMBERS OF THE PUBLIC ARE CLEARLY CONCERNED AT THE EFFECT OF WOODCHIPPING.

In polls conducted only a few months ago, 82% of people in Brisbane, Sydney, Melbourne and Hobart expressed opposition to woodchipping.

(6) THE ENVIRONMENT MOVEMENT IS STILL OUTRAGED AT THE DECISION TO ALLOW WOODCHIPPING IN TASMANIA'S WILDERNESS NATIONAL ESTATE FORESTS.

The ALP is alienating part of its support base to an extent that may be irretrievable.

(7) THE CLEARING OF MARGINAL LAND IS VERY QUESTIONABLE BOTH ECONOMICALLY AND ENVIRONMENTALLY.

Governments are likely to be called upon to provide drought relief, and financial assistance for the soil erosion that inevitably follows such clearing.

The introduction of such a destructive, controversial industry to a new part of Australia at this time and in this manner is a clear indication that the ALP, and Mr Kerin in particular, have abandoned any commitment to our environmental aspirations.

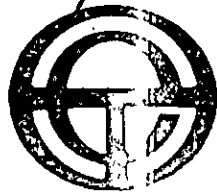
Please disseminate this information as widely as possible. We must call for a full environmental impact study with the proposal. Environmental organisations and individuals should write to John Kerin. They should also approach Federal ALP Senators and Members asking them to go and see John Kerin about the matter, and letters to newspapers are needed also.

Joan Staples
National Liaison Officer

*John Carrill has written to Kerin asking for clarification.
Will raise it K. Cripps. — will state govt require EIS?
(what forests?)*

Copy

TOTAL ENVIRONMENT CENTRE
18 Argyle St., Sydney, N.S.W. 2000. Phone 27 4714



2nd May, 1986.

05 MAY 1986

Hon. N. K. Wran,
Premier of New South Wales,
Premier's Department
Phillip Street
SYDNEY 2000.

Dear Mr. Wran,

WOODCHIPPING - FAR NORTH COAST

The Federal Minister for Primary Industry, John Kerin, is reported to have given Hollow-Tree Enterprises "in principle" permission to export 250,000 tonnes of woodchips for five years, from far north NSW and southern Queensland.

NSW sources for woodchips are proposed to be sawmill waste and plantation thinnings. Although there is no objection to these sources, we are concerned that the project not extend to the taking of forest residues and even integrated logging, as practised at Eden.

The environmental impact of such operations is unacceptable to the conservation movement.

We would be most grateful for your undertaking that forest residues, outside plantations and integrated logging, will not be part of this project at any time in the future.

Yours faithfully,

Jeff Angel
Assistant Director
Total Environment Centre.



Forestry Commission of N.S.W.



Mr. R. Lembit,
Project Officer,
Nature Conservation Council
of N.S.W.,
399 Pitt Street,
SYDNEY NSW 2000

15 JAN 1985

Forestry House
95-99 York Street
Sydney N.S.W.
Box 2667 G.P.O. Sydney
N.S.W. 2001

Telegrams: Newforests Sydney
Telex: Forcom 21657

Our reference: MPD - P.Fisher:AMT.

Your reference:

Telephone: 234 1567
Extension: 517.

11th January, 1985.

Dear Sir,

I refer to your letter of 5th September, 1984, regarding pulpwood operations by Sawmillers Exports Pty. Ltd. on the north coast of N.S.W. Information requested by you in the same numbered order of your enquiry is as follows:-

*Rogers
Lembit
letter.*

- (1) State Forest operations over the past three years and those anticipated until the end of 1986:

Forestry District

State Forest-

Dungog

- * Chichester
- * Masseys Creek
- Avon River
- Dungog
- Wallaroo
- Medowie
- Karuah

Bulahdelah

- * Myall River
- Wang Wauk
- Bulahdelah

Wyong

- * Bachelor
- Wallingat
- Olney
- Watagan

- * Subject to operations by Sawmillers Exports Pty. Ltd. over the last three years.

Possible additional areas may be involved depending upon actual yields, including Heaton State Forest within the Cessnock District and Kiwarra State Forest (logging residue only) within the Taree District.

- (2) Measures taken to protect wildlife values are specified under the various management plans for these areas and routinely applied in all operations.
- (3) Supervision and control of pulpwood operations are achieved primarily through the strict implementation of harvesting plans prepared by the Supervising Forester. Particular measures to protect environmental values in addition to tree marking, are specified in the plans.
- (4) The yield of pulpwood from the State Forests mentioned under 1 over the last 5 years (1979/80 - 1983/84) was about 48,000 tonnes in the proportions of: 32% logging waste, 65% silvicultural thinnings and 3% regrowth thinnings. No records are available of sawmill residues purchased by the company over that period.

It is hoped the above will assist to clarify the impact of these operations on the environment to your Council, but I would suggest they be considered in the light of the simple fact that they seek to salvage material that otherwise would be wasted in routine logging and associated silvicultural operations in these forests as has occurred over many years and which as advised above, are adequately constrained for environment protection purposes.

Yours faithfully,

G.S. LUGTON,
Secretary.

Per: 

5 September, 1984

Mr G. Lugton
Secretary
Forestry Commission of NSW
95 York St
Sydney NSW 2000

Dear Mr Lugton

Re: North Coast Woodchipping

The Council is currently reviewing aspects of the woodchip operations conducted by Sawmillers' Exports Pty Ltd on the north coast of NSW. It would be appreciated if you could supply information relating to the following questions:

1. In which State Forests has the company been operating in over the past three years and in which are they likely to be operating until the end of 1986?
2. What measures are taken by the Commission in forests where residues are being utilized to ensure wildlife values are protected?
3. What action is taken by the Commission to supervise operations?
4. What volumes of timber have been extracted in pulpwood operations over the past five years and what was the proportion of the various categories (i.e. regrowth thinnings, reject trees, logging waste, sawmill residues)?

It is hoped that your reply will serve to clarify to the Council the impact of the operations on the environment. I look forward to your response.

Yours sincerely,

R. Lambit
Project Officer



Forestry Commission of N.S.W.



Mr. Winston M. Redford,
Solicitor,
D.X. 680,
SYDNEY.

Forestry House
95-99 York Street
Sydney N.S.W.
Box 2667 G.P.O. Sydney
N.S.W. 2001

Telegrams: Newforests Sydney
Telex: Forcom 21657 D.X. 22, Sydney

Our reference: 8678 (Legal) PN:BF

Your reference: PP.MW
G.8522

Telephone: 234 1567
Extension: 593 (Mr. Nash)

13th December, 1984.

Dear Sir,

Re: Sawmillers Exports Pty. Ltd.

I refer to your letter of 13th November, 1984 on behalf of Mr. J. Angel of the Total Environment Centre.

The Forestry Commission is well aware of your client's attitude in this matter.

The current position in this matter is that the Forestry Commission has issued licences authorising the taking of timber in accordance with the N.S.W.'s Government's 1982 decision and the Commonwealth Minister for Primary Industry's decisions of June, 1983 and June, 1984.

In making those decisions, the Commission complied with the provisions of Section 111 of the Environmental Planning and Assessment Act, 1979 and concluded that the relevant activity was not likely to significantly affect the environment. In the circumstances, the Commission considered that it was not obliged to obtain, examine and consider an environmental impact statement in respect of those activities and therefore did not do so and does not now propose to do so.

For your information, the Commission has issued licences to authorise woodchip operations in the Chichester, Bulahdelah and Wyong Management Areas. The Commission does not have any current proposals to extend such operations to any other areas but may do so at some later date.

Finally, it would be appreciated if you could address correspondence to the Secretary of the Commission, rather than to the Legal Officer, in accordance with normal business practice.

Yours faithfully,

G. S. Lugton
G. S. LUGTON,
Secretary.

*No comment!
Dead duck!
File*
5-3-84

Date

ALSO KERN ✓

The Hon. T. W. Sheahan
Minister for Planning and Environment
139 Macquarie Street
SYDNEY 2000.

Dear Mr. Sheahan,

NORTH COAST WOODCHIPPING -
JOINT LETTER BY SIX ENVIRONMENT GROUPS

We are very concerned at the State Government's current attitude on the use of forest residues for woodchip exports. The receipt of information especially from a freedom of information request has given us several grounds on which to doubt the integrity of the current policy.

These grounds are:

1. The NSW Government's secret decision to include forest residues as available for woodchips (taken in 1982). This decision flies in the face of the intense public interest in the issue shown in the lead-up to the decision to use only sawmill residues and logging waste. It betrays the public involvement process and the promise by the then Minister for Planning and Environment that "any further extension of the present proposal will require a further assessment of environmental impact." (25 October, 1978)
2. Forest residues include reject trees, species of trees or mishapen trees of no use for sawlog production, but of demonstrable wildlife value. The use of these environmentally sensitive sources will entrench dubious forestry practices and create pressure to increase the scale of these practices." An official of the Department of Home Affairs and Environment reported, after a Commonwealth/State departmental inspection in late 1982, that pulpwood would be derived from (among other sources):

"Areas where operations would largely be of a silvicultural nature (regrowth and over-mature tree harvesting) with only incidental sawlog harvesting. This sort of operation is clearly the one which a pulpwood market might be instrumental in increasing in scale

"The foresters conducting the tour put the view that the majority of pulpwood, if it were to be harvested, would come from cullings of over-mature trees, at present largely ringbarked"

3. In granting the initial export licence the then Federal Minister for Primary Industry was advised by the Minister for Environment:

"Because the environmental implications of utilizing forest residues in addition to sawlog residues has not been adequately canvassed in the final EIS, the company should be informed that any future proposal to utilize forest residues will require

further application for export approval and environmental assessment in accordance with the Environment Protection (Impact of Proposals) Act."

4. Both the Departments of Home Affairs and Environment and Environment and Planning (NSW) have recommended an EIS for the use of silvicultural residues.

5. This year the Minister for Home Affairs and Environment told the Minister for Primary Industry that:

"The major obstacle to my advising on the environmental aspects for the use of these new sources for woodchip exports is the absence of any previous assessment of this particular project under the Environment Protection (Impact of Proposals) Act.

".... An appropriate course of action would be for the company to prepare an EIS outlining the environmental effects of obtaining woodchips from these sources over the five year period."
(8 March 1984)

6. The NSW Minister for Natural Resources has advised us that "an increasing number of sawmills are now chipping their wastes and that the industry generally expects no decline in waste availability particularly under present buoyant economic conditions." (16 August 1984) It therefore appears to us to be totally unnecessary, from the resource viewpoint to increase the sources for woodchips, especially as the total tonnage allowed for export has not changed.

The Minister for Home Affairs and Environment telexed you on 30 May 1984 requesting "your reaction to a proposal that the NSW Forestry Commission prepare and make public an appropriate environmental review as the responsible body for forest management." We are unaware of any further moves by you in this regard.

NOT GIVEN

We therefore formally request that the NSW Government withdraw permission for Sawmillers Exports to use forest residues and that the Government adhere to its 1978 decision.

We would be interested to discuss the issue further with you, if this would be useful to your deliberations. An indication of your attitude within 28 days would be most appreciated.

Yours faithfully,



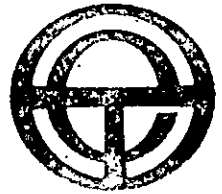
Jeff Angel
Assistant Director

Total Environment Centre, for
Nature Conservation Council of NSW
Australian Conservation Foundation
National Parks Association(NSW)
Fund for Animals
Greenpeace(NSW)

TOTAL ENVIRONMENT CENTRE

18 Argyle St., Sydney, N.S.W. 2000. Phone 27 4714

12th September, 1984.



17 SEP 1984

The Project Officer
Nature Conservation Council of NSW
339 Pitt Street
SYDNEY 2000.

Dear Roger,

Please find enclosed a copy of our letter on North Coast woodchipping sent to Ministers Kerin and Sheahan on September 7.

As proposed at our meeting on Tuesday 4th September, I have enquired as to Peter Prineas' interest in giving an opinion on the issue. In order for this to proceed, a donation of \$50. for legal fees would be much appreciated.

If agreeable TEC will hold the donations until payment.

Regards,

Jeff Angel.

Assistant Director
Total Environment Centre.



80/1489

Premier of New South Wales
Australia

20 AUG 1984

17 AUG 1984

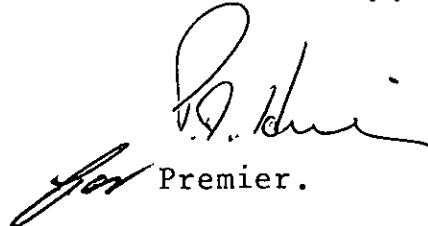
Dear Ms. Messer,

I refer to your letter on behalf of the Nature Conservation Council of New South Wales concerning the use of silvicultural residues on the North Coast.

I have carefully noted all that you have had to say in this regard. As the matter raised is one associated primarily with the administration of my colleague, the Minister for Natural Resources, I consider that the most appropriate course of action is to specially acquaint Mrs. Crosio with the nature of your approach.

This I shall be pleased to do and you can be sure that your representations will receive close consideration.

Yours sincerely,



Premier.

Ms. J. Messer,
Chairperson,
Nature Conservation Council
of New South Wales,
399 Pitt Street,
SYDNEY. 2000 00

24 July, 1984

The Hon. N.K. Wran, Q.C., M.P.,
Premier of N.S.W.,
Government Offices,
Phillip St
Sydney NSW 2000

Dear Mr Wran

NORTH COAST WOODCHIPPING

At our meeting on 13 July, 1984, concern was expressed at the advice from the Federal Minister for Primary Industry (Mr J. Kerin) that Sawmillers Exports Pty Ltd has been granted a licence to export woodchip derived from "silvicultural and logging residues resulting from operations of the NSW Forestry Commission" for five years from 20 June, 1984. We are concerned because we were assured by the Hon. B.J. Ferguson, Acting Premier on 30 July, 1980, that "any expansion into the use of other forest residues (as might result from thinnings or other silvicultural operations) would require further Government consideration and approval. A copy of this letter is being brought to the notice of the Minister for Forests and your Council may be assured that the Government recognizes that any future proposal which might be put forward will need to be examined closely."

Two years earlier, when we expressed our view that the resource available would not reach the approval figure of 350,000 tonnes, we were assured by the Hon. Paul Landa, the then Minister for Planning and Environment, (memo reference 700063 of 19 October, 1978) that "there is no suggestion that additional trees would be felled for the production of woodchip ... It is not the intention of the Government to promote further exploitation of our natural forests."

The S.P.C.C. North Coast Woodchip Inquiry Report (November, 1978) defined silvicultural residues as "malformed or defective trees that are clearly unsuitable for current, commercial use, e.g. sawlogs, poles or sleepers that lack the capacity to become merchantable stems in the future."

It is the firm view of our Council that the use of silvicultural residues in this respect is clearly of sufficient importance to require an E.I.S. under the Environment Planning and Assessment Act. Our view is supported by the Hon. Paul Landa who stated in 1978 that "any extension of the existing proposal will require further assessment of environmental impact."

24 July 1984

It is our belief that the Forestry Commission (which in a 1980 Press Release identified silvicultural residues as a desirable source of woodchips) is attempting to overturn established Cabinet policy without any public announcement or public participation. The Council points out that defect trees and old, hollow trees likely to be removed for silvicultural purposes are extremely valuable as a wildlife habitat, providing shelter for arboreal mammals, birds and invertebrates.

Would you please advise the current and proposed position with regard to the use of silvicultural residues on the North Coast.

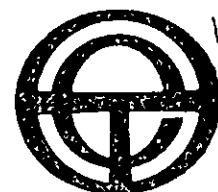
Yours sincerely

CHAIRMAN

TOTAL ENVIRONMENT CENTRE

18 Argyle St., Sydney, N.S.W. 2000. Phone 27 4714

8th August, 1984.



Roger.

The Hon. Mrs. J. Crosio
Minister for Natural Resources
23-33 Bridge Street
SYDNEY 2000.

Dear Mrs. Crosio,

NORTH COAST WOODCHIPPING

Thank you for your letter of August 2, 1984.

My understanding now is that the trial period included reject trees and silvicultural residues (as defined by the SPCC) and that you do not consider that an EPA Part V, EIS, is required.

Our concern is that (as predicted by conservationists in the 1970's) this environmentally sensitive material will make up an increasing amount of the woodchip production as sawmill waste declines in availability. This leads to a large scale assault on wildlife habitat. Of further concern is the ability of the Forestry Commission to guarantee that wildlife habitat will not be impaired.

A reject tree is a tree already felled, a point too late for the protection of present and future wildlife values. The logging team will primarily be interested in woodchips, not wildlife.

Similarly for the silvicultural residues, the pressures to fill the woodchip quota could lead to increasing use of 'malformed or defective trees that are clearly unsuitable for current commercial use ...' (SPCC 1975), but are of wildlife value.

This situation is unacceptable.

It is possible our concerns have not been adequately communicated. We therefore request an urgent meeting with you to make further representations and before we consider legal action and the organisation of a major campaign.

Yours faithfully,

Jeff Angel
Assistant Director
Total Environment Centre.



NEW SOUTH WALES

MINISTER FOR NATURAL RESOURCES

23-33 BRIDGE STREET
SYDNEY 2000

Mr. Jeff Angel,
Assistant Director,
Total Environment Centre,
18 Argyle Street,
SYDNEY. N.S.W. 2000 00.

-2 AUG 1984

Dear Mr Angel,

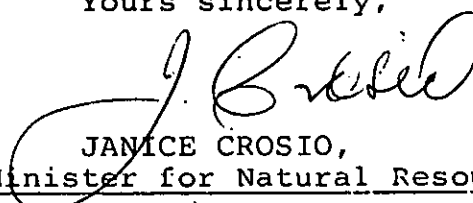
In further reference to your letter of 13th July, 1984 regarding utilisation of wastes to supply the woodchip operation at Kooragang Island, Newcastle, please refer again to my reply of 16th July which apparently crossed with your letter. I believe it supplies most of the information you seek.

The Company has access to Government-approved materials which in practical terms means going to about the Hastings River. In the absence of any objections during the trial period, which was inspected by representatives of both State and Commonwealth Departments, my view is that the operation conforms with all needed environmental controls. Indeed it is now identical in most respects with the Masonite operation (nearby at Tomago) which has used local woodchips for some fifty years to make a pulp-based product.

I understand you are concerned about the felling of large old animal habitat trees. These are retained.

I trust the above, together with my letter of 16th July, answers your queries.

Yours sincerely,


JANICE CROSIO,
Minister for Natural Resources.



With Compliments

N.C.C.

National Parks Association of NSW

State Council

275c Pitt Street, Sydney NSW 2000

Telephone (02) 264 7994

21.8.84

Roger,

copy for your information. Do
you think wean will kick
Crossio's head after this?

G.



National Parks Association of NSW

State Council
275c Pitt Street, Sydney NSW 2000
Telephone (02) 264 7994
August 21, 1984.

Hon. N.K. Wran, QC, MP,
State Office Block,
Macquarie Street,
SYDNEY. 2000.

Dear Mr. Wran,

Re: Woodchip proposals - North Coast.

The Commonwealth and New South Wales governments have, in the opinion of this Association, extended the scope of woodchip operations of Sawmillers Exports Pty.Ltd. without adherence to Part V of the NSW Environmental Planning and Assessment Act or the Commonwealth Environment Protection (Impact of Proposals) Act.

In a letter dated July 5, 1984, to my colleague, Mr. Jeff Angel of the Total Environment Centre, the Minister for Primary Industry, Mr. John Kerin, admitted that the matter had been with Commonwealth and State authorities "for a considerable period".

Mr. Kerin went on to explain the proposal:

"The company had in 1982 sought approval to utilise the silvicultural thinnings that are culled from various forests as part of the Forestry Commission's general management procedures.

"In June 1983 the company was granted approval to utilise pulpwood quality material derived from silvicultural and logging residues resulting from operations of the New South Wales Forestry Commission, for a period of one year. This source of supply was complementary to the sawmill and logging residues upon which the company's export approval was originally based and did not expand the total of the original licence of 350,000 tonnes of woodchip exports per annum."

He said further:

"The company's authority to export for twelve months utilising the additional sources of material expired on 20 June 1984. Taking these matters into account and in view of the fact that substantive reasons for opposition to continued access to such material had not been put forward by the relevant Commonwealth or State authorities by the date of termination of the licence, despite a number of requests for advice, I have determined that the company's licence should be extended for a period of five years. This period, which falls well short of the expiry of the Company's base licence (1996) will ensure that we again have the opportunity to review the situation within a reasonable time."

Does the term "State authorities" include the Department of Environment and Planning, the National Parks and Wildlife Service, Soil Conservation Service, State Pollution Control Commission, Australian Museum, or the National Herbarium? Why didn't the Forestry Commission of NSW require an environmental impact statement pursuant to Part V of the Environmental Planning and Assessment Act and Regulation? Why was the public not given the opportunity to comment on the proposal?

Approval by the NSW Government is in breach not only of the NSW Act but also of an undertaking given by the Minister for Planning and Environment on 25 October 1978 (Mr. Paul Landa):

"Any extension of the present proposal will require a further assessment of environmental impact."

The original approval was for sawmill residues and logging wastes as the source of material for woodchips. Logging wastes were defined as the heads, limbs, and faulty butts of trees felled for use as sawlogs. Mr. Landa stressed that there was "no suggestion that additional trees would be felled solely for production of woodchips". He went on to say it was "not the intention of the Government to promote further exploitation of our natural forests". (Minister's reference 700063).

Further, in a letter from your office dated July 30, 1980, (Ref.79/4816) the Acting Premier said:

"...the Government decided in 1978 that the project would be limited to sawmill residues and logging wastes as the source for production of woodchips.

"Any expansion into the use of other forest residues (as might result from thinning or other silvicultural operations) would require further Government consideration and approval."

In summary, this Association alleges that

1. The NSW Government has dishonoured a commitment given to the conservation movement on 25 October 1978.
2. The NSW Government has misled the public.
3. The NSW Government has failed to comply with its own legislation.

The Association requests that :

1. Any approvals granted for an extension of woodchip operations by Sawmillers Exports Pty.Ltd. be withdrawn.
2. Any fresh application by Sawmillers Exports be rejected in principle in view of the 1978 Cabinet decision, viz.:

"Woodchips are to be derived only from sawmill wastes and logging wastes obtained from lands under the control of the Forestry Commission".

In addition, I enclose a recent letter from your Minister for Natural Resources who claims that she is unable to provide us with information because of a Forestry Union's black ban. The Minister's response is most unsatisfactory.

The Hon. N.K. Wran, QC, MP.

3.

August 21, 1984.

I would be pleased to receive your urgent attention to this matter.

Yours sincerely,

Grahame Wells
Director.

0 8 8 4 0 2 0



NEW SOUTH WALES

MINISTER FOR NATURAL RESOURCES

23-33 BRIDGE STREET
SYDNEY 2000

Mr. G. Wells,
Director,
National Parks Association of N.S.W.,
275c Pitt Street,
SYDNEY. N.S.W. 2000 00.

-2 AUG 1984

Dear Mr. Wells,

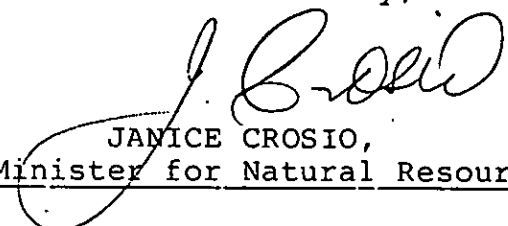
I refer to your letter of 5th July, 1984 concerning
Sawmillers Exports Pty. Ltd.

The Company has always had access to sawmill wastes
and logging residues resulting from roundwood harvesting
operations in the forest.

The Commonwealth Government has extended the export
licence of the Company to include forest residues, in
particular thinnings made for silvicultural reasons and this
conforms with the determination made by the N.S.W. Government
in 1982.

As you are aware the National Parks Association is
the subject of union bans by the unions which service the
Forestry Commission. As a consequence I am unable to provide
a more detailed response.

Yours sincerely,


JANICE CROSIO,
Minister for Natural Resources.



MINISTER FOR PRIMARY INDUSTRY

Parliament House,

Canberra A.C.T. 2600

Telephone (062) 73 1711

0 5 JUL 1984

Dear Mr Angel,

I refer to the telex message of 14 May 1984 from Mr Michael Kennedy and yourself with reference to woodchip operations conducted by Sawmillers Exports Pty Ltd.

Your telex suggested that the one year approval for the use of forest residues was a trial and asked for the trial results to be made available to you. There was no element of trial in the Commonwealth approval. The one year approval was an interim response pending consideration of whether this type of resource should be approved for a longer term.

You asked that an environment impact statement be prepared under part 5 of the NSW Environmental Planning and Assessment Act for any expanded activity. Whether action is required under this Act is a matter for the NSW Government to decide.

In respect of the obligations imposed under the Commonwealth environmental legislation (Environment Protection (Impact of Proposals) Act 1974) you may be assured that I sought the advice of my colleague the Minister for Home Affairs and Environment, the Hon. Barry Cohen, MP, who I understand would also in the normal course of events consult the relevant NSW authorities. This matter has now been before the Commonwealth and ultimately State authorities for a considerable period.

The company had in 1982 sought approval to utilise the silvicultural thinnings that are culled from various forests as part of the Forestry Commission's general management procedures.

In June 1983 the company was granted approval to utilise pulpwood quality material derived from silvicultural and logging residues resulting from operations of the New South Wales Forestry Commission, for a period of one year. This source of supply was complementary to the sawmill and logging residues upon which the company's export approval was originally based and did not expand the total of the original licence of 350,000 tonnes of woodchip exports per annum.


The type of resource proposed had previously been extensively addressed by the New South Wales State Pollution Control Commission in its enquiry on woodchipping on the north coast. The Senate Standing Committee on Science and the Environment in its enquiry on the woodchip industry also examined this issue and concluded that harvesting of silvicultural residues including thinnings, had environmental as well as economic benefits.

The company's authority to export for twelve months utilising the additional sources of material expired on 20 June 1984. Taking these matters into account and in view of the fact that substantive reasons for opposition to continued access to such material had not been put forward by the relevant Commonwealth or State authorities by the date of termination of the licence, despite a number of requests for advice, I have determined that the company's licence should be extended for a period of five years. This period, which falls well short of the expiry of the Company's base licence (1996) will ensure that we again have the opportunity to review the situation within a reasonable time.

You may be assured I have given this matter very careful attention and took your interest in the issue into account. You will be aware that following consultations with Mr Cohen I have already arranged for an environment impact statement to be prepared for the Tasmanian woodchip resource. Unlike the extensive assessment that had already been undertaken by a number of authorities of the NSW silvicultural thinnings issue the Tasmanian resource had not previously been investigated. I will be similarly carefully scrutinising other woodchip operations as the opportunity arises.

Thank you for drawing your views to my attention.

Yours sincerely,



(John Kerin)

Mr Jeff Angel,
C/- Total Environment Centre,
3rd Floor,
18 Argyle Street,
SYDNEY NSW 2000



MINISTER FOR PRIMARY INDUSTRY

Parliament House,

Canberra A.C.T. 2600

Telephone (062) 73 1711

0 5 JUL 1984

Dear Mr Angel,

I refer to the telex message of 14 May 1984 from Mr Michael Kennedy and yourself with reference to woodchip operations conducted by Sawmillers Exports Pty Ltd.

Your telex suggested that the one year approval for the use of forest residues was a trial and asked for the trial results to be made available to you. There was no element of trial in the Commonwealth approval. The one year approval was an interim response pending consideration of whether this type of resource should be approved for a longer term.

You asked that an environment impact statement be prepared under part 5 of the NSW Environmental Planning and Assessment Act for any expanded activity. Whether action is required under this Act is a matter for the NSW Government to decide.

In respect of the obligations imposed under the Commonwealth environmental legislation (Environment Protection (Impact of Proposals) Act 1974) you may be assured that I sought the advice of my colleague the Minister for Home Affairs and Environment, the Hon. Barry Cohen, MP, who I understand would also in the normal course of events consult the relevant NSW authorities. This matter has now been before the Commonwealth and ultimately State authorities for a considerable period.

The company had in 1982 sought approval to utilise the silvicultural thinnings that are culled from various forests as part of the Forestry Commission's general management procedures.

In June 1983 the company was granted approval to utilise pulpwood quality material derived from silvicultural and logging residues resulting from operations of the New South Wales Forestry Commission, for a period of one year. This source of supply was complementary to the sawmill and logging residues upon which the company's export approval was originally based and did not expand the total of the original licence of 350,000 tonnes of woodchip exports per annum.

The type of resource proposed had previously been extensively addressed by the New South Wales State Pollution Control Commission in its enquiry on woodchipping on the north coast. The Senate Standing Committee on Science and the Environment in its enquiry on the woodchip industry also examined this issue and concluded that harvesting of silvicultural residues including thinnings, had environmental as well as economic benefits.

The company's authority to export for twelve months utilising the additional sources of material expired on 20 June 1984. Taking these matters into account and in view of the fact that substantive reasons for opposition to continued access to such material had not been put forward by the relevant Commonwealth or State authorities by the date of termination of the licence, despite a number of requests for advice, I have determined that the company's licence should be extended for a period of five years. This period, which falls well short of the expiry of the Company's base licence (1996) will ensure that we again have the opportunity to review the situation within a reasonable time.

You may be assured I have given this matter very careful attention and took your interest in the issue into account. You will be aware that following consultations with Mr Cohen I have already arranged for an environment impact statement to be prepared for the Tasmanian woodchip resource. Unlike the extensive assessment that had already been undertaken by a number of authorities of the NSW silvicultural thinnings issue the Tasmanian resource had not previously been investigated. I will be similarly carefully scrutinising other woodchip operations as the opportunity arises.

Thank you for drawing your views to my attention.

Yours sincerely,



(John Kerin)

Mr Jeff Angel,
C/- Total Environment Centre,
3rd Floor,
18 Argyle Street,
SYDNEY NSW 2000

TEC - copy for information



NEW SOUTH WALES

23-33 BRIDGE STREET
SYDNEY 2000

MINISTER FOR NATURAL RESOURCES

Mr. G. Wells,
Director,
National Parks Association of N.S.W.,
275c Pitt Street,
SYDNEY. N.S.W. 2000 00.

-2 AUG 1984

Dear Mr. Wells,

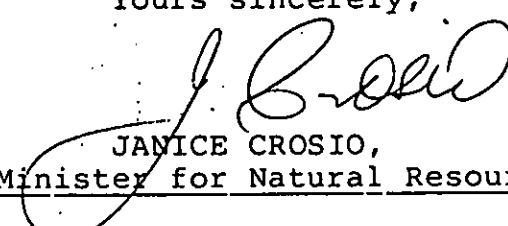
I refer to your letter of 5th July, 1984 concerning
Sawmillers Exports Pty. Ltd.

The Company has always had access to sawmill wastes
and logging residues resulting from roundwood harvesting
operations in the forest.

The Commonwealth Government has extended the export
licence of the Company to include forest residues, in
particular thinnings made for silvicultural reasons and this
conforms with the determination made by the N.S.W. Government
in 1982.

As you are aware the National Parks Association is
the subject of union bans by the unions which service the
Forestry Commission. As a consequence I am unable to provide
a more detailed response.

Yours sincerely,



JANICE CROSIO,
Minister for Natural Resources.



NEW SOUTH WALES

MINISTER FOR NATURAL RESOURCES

23-33 BRIDGE STREET
SYDNEY 2000

Mr. J. Angel,
Assistant Director,
Total Environment Centre,
18 Argyle Street,
SYDNEY. N.S.W. 2000 00

16 AUG 1984

Dear Mr. Angel,

I have your letter of 8th August, 1984,
concerning woodchipping by Sawmillers' Exports Pty.
Ltd.

I believe your concerns are wrongly predicated
on the proposition that sawmill waste will decline
in availability. I am informed that an increasing
number of sawmills are now chipping their wastes and
that the industry generally expects no decline in
waste availability, particularly under presently
buoyant economic conditions.

It seems also that you underestimate the
capacity of N.S.W. forests to support wildlife
communities. Even if there is impact attributable
to forest harvesting there are also increasing areas
of national park given over almost exclusively to
wildlife. You will be well aware of the significant
contribution which the Government has made in this
regard in recent years. At the same time, I am hopeful
that you will acknowledge the role of multiple use
management of our State Forest resources.

Silvicultural residues are primarily thinnings
made from both eucalypt plantations and natural stands
of young trees. I am advised that wildlife trees
are consciously retained and that "logging teams"
do not have the responsibility of selecting the trees
which will be logged, as you have suggested.

I understand clearly what you are saying
and I trust the above is equally clear. I see no
advantage in meeting you under threat of legal action
and therefore decline.

Yours sincerely,

(JANICE CROSIO)
Minister for Natural Resources



79/4816.

31 JUL 1980

Premier of New South Wales

30 JUL 1980

Dear Mr. Willan,

I refer to your recent letter on behalf of the Nature Conservation Council of New South Wales concerning North Coast Woodchipping.

I have enclosed for your information a copy of a Forestry Commission reply to a letter published recently in the Sydney Morning Herald. This reply which the Herald did not see fit to use, addresses itself to points similar to those raised in your letter.

As newspaper coverage of the Commission's role may have been open to interpretation, I have also enclosed a copy of the Forestry Commission's background paper on the matter which is referred to in the Commission's reply to the Herald.

As indicated in your letter, the Government decided in 1978 that the project would be limited to sawmill residues and logging wastes as the source for production of woodchips.

Any expansion into the use of other forest residues (as might result from thinning or other silvicultural operations) would require further Government consideration and approval. Copy of this letter is being brought to the notice of the Minister for Forests and your Council may be assured that the Government recognises that any future proposal which might be put forward will need to be examined very closely.

Yours sincerely,

Acting Premier.

Mr. L. Willan,
Chairman,
The Nature Conservation
Council of N.S.W.,
399 Pitt Street,
SYDNEY. 2000.

PROPOSED NORTH COAST WOODCHIP INDUSTRY

MR PETER MASLEN, CHAIRMAN OF THE COLONG COMMITTEE, 9A NATIONAL WILDERNESS SOCIETY, SAID TODAY THAT STATEMENTS MADE BY MR DAY MLA REGARDING THE PROPOSED NORTH COAST WOODCHIP INDUSTRY WERE AN ATTEMPT TO PRE-EMPT THE NSW GOVERNMENT'S DECISION ON THE POSSIBILITY AND FORM OF THE INDUSTRY,.

MR MASLEN ASKED MR DAY IF HE IS TRYING TO MAKE A FARCE OF THE FEDERAL GOVERNMENT'S SENATE WOODCHIP INQUIRY WHICH IS TO SIT IN SYDNEY NEXT WEEK. THE STATE POLLUTION CONTROL COMMISSION CARRIED OUT AN EXTENSIVE INQUIRY INTO THE PROPOSED WOODCHIP INDUSTRY LAST YEAR. MR MASLEN CALLED ON THE NSW GOVT TO RELEASE THE SPCC REPORT SO THAT THE RESULTS OF THE PUBLIC INQUIRY ARE NOT PRIVY TO A SELECT FEW. "ANY DECISIONS ON WOODCHIPPING ON THE NORTH COAST MUST TAKE THE REPORTS OF THESE INQUIRIES INTO ACCOUNT, OR WILL PUBLIC PARTICIPATION IN ENVIRONMENTAL DECISIONS BECOME A COMPLETE FARCE?" MR MASLEN SAID.

"FORESTRY RESIDUE IS NOT A FEASIBLE SOURCE OF MATERIAL FOR CHIPPING" MR MASLEN SAID. "THE FORESTRY COMMISSION HAS STATED THAT THE USE OF FOREST RESIDUE AND THINNINGS IS UNECONOMICAL BECAUSE OF THE METHODS USED TO FULFIL THE COMMISSION'S ENVIRONMENTAL REQUIREMENTS. THE NATIONAL PARKS AND WILDLIFE SERVICE, IN THEIR SUBMISSION TO THE SPCC'S INQUIRY ON THE NORTH COAST WOODCHIP INDUSTRY, SAID THAT FOREST ANIMALS RELY ON THE RESIDUE OF THE FOREST FOR THEIR EXISTENCE."

MR MASLEN SAID THAT THE USE OF SAWMILL WASTE IS THE ONLY ECOLOGIVCALLY VALID FORM OF TIMBER SUPPLY FOR WOODCHIPPING BUT THIS HAST SEVERE ECONOMIC RESTRICTIONS ON A WOODCHIP INDUSTRY FOR THE NORTH COAST.

MR MASLEN SAID HE HAD GRAVE DOUBTS ON MR DAY'S ABILITY TO MAKE SUCH STATEMENTS REGARDING THE WOODCHIP INDUSTRY WITHOUT HAVING FULL KNOWLEDGE OF ALL MATERIAL COLLECTED BY THE SPCC AND STILL BEING COLLECTED BY THE SENATE INQUIRY.

THE COLONG COMMITTEE COULD ONLY AGREE TO WOOD PRODUCTION ACTIVITIES IN THE FORESTS OF AUSTRALIA WHICH ARE PRIMARILY DIRECTED TOWARDS THE MAINTENANCE OF AN ESTABLISHED SAWMILLING INDUSTRY WHICH DID NOT RETRACT IN ANY WAY FROM THE PRESERVATION OF ANY UNPROTECTED FOREST OR WOODLAND PLANT ALLIANCE.

9th May, 1980.

The Editor,
Sydney Morning Herald,
235 Jones Street,
BROADWAY, 2007.

Sir,

The letter from R. L. Laxton of Bowraville (S.M.H. 8th May) asserts that the Forestry Commission is mounting a large-scale campaign in local press and radio to allow the felling of "unwanted" trees for woodchipping.

The Commission agrees that it has a fairly active and effective publicity team, but the team is apparently even more effective than we thought - it can mount a large-scale campaign without even trying!

When Sawmillers Exports Ltd. announced the details of its wood-chip export scheme from the North Coast earlier this year, the Commission prepared and distributed a 5-page background paper outlining the nature of the scheme and its expected effects. As stated in the paper, and in accordance with earlier Government decisions, the project will be geared to the utilisation of sawmill residue and logging waste, the latter being the heads and butts of trees felled for sawlogs. Any expansion of the scheme into the use of other forest residues (as might result from thinning or other silvicultural operations) would require Government approval.

In conformity with views expressed repeatedly by the Forestry Commission ever since the North Coast woodchipping proposals were first publicly mooted six or so years ago, the background paper also includes the following comment:-

"In the longer run, the Forestry Commission would like to see some extension of the scheme to allow for the utilisation of some other forest residues, under appropriate safeguards to ensure the adequate protection of the forest environment. An extension of this nature would allow more areas of forest to receive the types of silvicultural treatment that they require, at little or no cost to the Government, and with a resultant improvement in the capacity of the forests to meet the future timber needs of the State."

We believe this to be a fair and factual expression of the views of the responsible forest management authority.

Since its release in late February, a number of newspapers on the North Coast have printed the background paper, or comments therefrom. In addition one of the Commission's senior officers on the North Coast has repeated the material in the paper in the course of a radio interview used by the A.B.C. regional station at Kempsey.

None of this would we regard as a campaign to allow the felling of unwanted trees; and it certainly does not warrant the description of a "large-scale campaign".

J. L. Henry

SUBMISSION BY THE NATURE CONSERVATION COUNCIL OF N.S.W. TO THE CABINET
SUB-COMMITTEE WITH RELATION TO THE PROPOSED NORTH COAST WOOD-CHIP INDUSTRY.

The Nature Conservation Council of N.S.W., in making this submission to the NSW Cabinet, wishes to state quite clearly, at the outset, that it has no fundamental objection to a woodchip industry on the north coast as long as only saw mill waste is utilised and also that strong and enforced safeguards are operating to ensure that there is no increase in logs removed from the forests in order to satisfy the economics of the chipping operation. Having stated this position, it is our considered opinion that these requirements will not be satisfied by the proponents of the north coast woodchip project.

~~When the~~ Cabinet Sub-Committee requested our Council to make this submission they also asked us to comment upon the adequacy of the safeguards put forward by the proponents of the woodchipping scheme. Unfortunately, in spite of the Cabinet Sub-Committee's wish, the Nature Conservation Council has been unable to obtain the relevant documents and are thus unable to make any specific comments on this matter at this stage.

In submissions already placed before you (by Ecology Action amongst others), we believe it has been quite clearly shown that there is an expected decline in saw log production in the region. If the woodchipping interests are so convinced that ample saw mill waste will be available, then this constraint should be written into any agreement. We believe that once mill wastes drop in volume there will be enormous pressure for timber to be felled purely in order to keep the chipping operation economically viable. Their case for an increased onslaught on public and private forests on the north coast will be made all the more difficult to resist because of the twin spectre of

unemployment and the withdrawal of investment capital. The Senate Standing Committee on Science and the Environment (1) believed that "approval of any such schemes should however incorporate safeguards to ensure that material chipped is restricted to genuine wastes and residue,,and that additional trees are not felled merely to maintain or increase chip supplies".

Should the woodchipping operations be forced to look beyond mill wastes for their timber supply, we feel that there will be a substantial extension of clear felling in the region. Clear felling is a forestry practice, we submit, which has no place in our native forests except under rare circumstances which do not arise on the North Coast. The fact that it causes soil erosion, siltation of streams, reduction of wildlife species, diminution of recreational and scientific values, and destruction of the landscape's scenic beauty are well documented and are evidenced in the woodchipping operations of Harris-Daishowa at Eden.

The Forwood Conference (Panel III) claims that clear felling is the simplest and easiest method to use in an integrated saw wood/pulp industry, as is envisaged at Coffs Harbour. The Nature Conservation Council is concerned that this philosophy will eventually prevail in any North Coast woodchipping industry as demonstrated in the Ecology Action Submission.

Dr. New of Latrobe University (2) has found that forest management practices subsequent to clear felling may result in very considerable habitat and faunal alteration. The floristic pattern in forests is nearly always markedly changed after clear felling. Even when native hardwoods are resown the resulting forest is established with coupes of even-aged trees (monoculture) which ecologically provides a highly artificial situation which is highly prone to pest attack; in addition to providing an impoverished spectrum of available habitats for native fauna. Post-clear felling management also frequently aims at reducing 'undesirable' understory vegetation (i.e. wattles)

which can support insect communities of up to 200 different species (²page 3), together with their superstructure of predators.

It should also be remembered that the National Parks and Wildlife Service of New South Wales believes the North Coast forests to be the most ecologically diverse of any region in the State and that the National Parks Association of N.S.W. have more than 20 proposals outlined for additional national parks in the areas(3). One of the most valuable, poorest conserved and rarest habitats on the North Coast is that of sub-tropical rainforest and Dr. New states quite unequivocally "the intrusion of clear felling practices into such areas should be strongly resisted and cannot be condoned".

Even if 100% clear felling does not occur, the Council is most concerned that the drive for more timber will result in far more intensive forestry than is at present carried out in both public and private forests in the region. We believe that private forests are equally part of our heritage and natural resources as are State-owned forests and should not be exploited (with possible long-term detrimental effects) for short-term financial gain. Neville Wran has stated (4) that "before the Forestry Commission is allowed to become involved in the approval or management of any North Coast woodchip schemes, there should be clear legislative control over all forestry practices on public or private lands, and the Forestry Commission must be able to demonstrate that it can adequately carry out its existing commitments". The Nature Conservation ^{tion} Council of NSW wholeheartedly endorses these views of the Premier.

The Nature Conservation Council totally opposes the concept of the extraction of 'rubbish' timber. This emotive term is both highly misleading and totally inaccurate. The forest only functions efficiently as a production unit if preserved as a discrete ecosystem and those trees designated as 'rubbish' fulfil vital roles both in the floristic diversity of the forest and in the provision of wildlife niches. It has been suggested,

by proponents of the woodchip project, that 'forest wastes' (another false and unfortunate term) should be utilised in the chipping operation. We object to this on two grounds. Firstly, extraction by heavy machinery could result in soil compaction, subsequent increased runoff and erosion coupled with reduced germination of seeds (2). Secondly, the removal of forest residues can have a marked effect upon the nutrient balance of the ecosystem. Extensive studies overseas have shown that careful research and planning is needed to ensure that the amount of nutrients removed in wood products balances inputs to the forest ecosystem via rainfall, run-off and the weathering of the parent rocks. If nutrient removal exceeds supply, it is obvious that a gradual rundown in available nutrients will occur with a parallel decline in the forest's productivity. In the absence of suitable Australian research data we submit that no residues should be utilised until such information becomes available. Even in the case of forest residues burnt on site, there is still considerable doubt that such practices are consistent with the maintenance of a stable nutrient balance.

The Botany Department of the University of New England has for some time been engaged in research of mineral nutrient recycling and the School of Biological Sciences at the University of Sydney has made submissions to the Energy Institute for financing research into nutrient cycling in poor-grade forests. We submit that such independent research, made available to both the Forestry Commission and the public, is the most satisfactory way of obtaining information to be used as a base for sound forest management. However, in stating this, we do not wish to throw any doubts upon the competence of Commission Researchers, only to point out the inadequacy of their number and the difficulty of access to their results.

The Council remember that the N.S.W. Labor Party Platform, upon which it was elected, states the following -

- 5.1 "The wood production activities in the forests of the North Coast should be primarily directed towards the maintenance of the established saw-milling industry.
- 5.2 "That any chipping operations on the North Coast be limited to woodchips derived from the slabs offcuts and dockings that would be rejected as wastes in normal saw-milling operations and to forest residues gathered from forests under the supervision of the Forestry Commission in an environmentally acceptable manner. That no approval be given to the export of woodchips derived from trees felled on private lands, except in respect of the residues derived from the milling of sawlogs derived from private lands, until such time as there are adequate statutory powers to ensure the proper environmental control of tree removal and forest management on private lands".

The Council sincerely trusts that the Government will keep faith with the electorate.

We also share the general misgivings of the Senate Standing Committee on Science and the Environment in their Interim Report on Woodchipping (1) when they state, "Environmental threats, notably those relating to soil nutrients, wildlife preservation and the conservation of genetic characteristics are less well understood and require further research to identify their true nature and magnitude and to determine ways to counter them effectively", (Conclusion 4). The Senators believe that the forestry industry, with its traditional production oriented attitude, tends to exacerbate the environmental impact of many operations (Conclusion 5) and that not only are current environmental protection measures "inadequate in some respects but also that their enforcement is unsatisfactory" (Conclusion 6).

It has been publicly stated by Labor Party leaders that the North Coast is "one of the most beautiful stretches of coastline in Australia. Beyond the

beaches the hinterland is wild, rugged and spectacular. It is a tourist resort and tourism will ensure its economic future". The Nature Conservation Council strongly believe that woodchipping, and especially the inevitable expansion of clear felling, (refer to Ecology Action's Submission) is totally incompatible with tourism; the latter being of paramount importance to the long-term economic and employment benefit of the North Coast and of New South Wales as a whole. After all, the Forestry Commission in its policy statement on the management of indigenous forests (6) states that their primary objective is:

"To manage the forests of New South Wales for the benefit of the people of New South Wales".

We are absolutely sure that the greatest benefit to all the people of the State will not be served by the establishment of a woodchip industry except under the most exacting conditions and under the most rigidly enforced safeguards to preserve the natural resources of the region. Mr. Wran, in his abovementioned address, obviously also believes that "the residents of the North Coast would benefit more directly if the official and unofficial subsidies which the State and Federal Governments would have to give to a woodchip industry, were directed to supporting developments more obviously in the residents' interests; for example, the support of local light industry, the proper management of the North Coast forests to support the sustained production of sawlogs, better tourist facilities and support for the commercial fishing industry".

Before approval is given to any proposed new woodchip schemes in New South Wales, the Council feels that the N.S.W. Government should very seriously consider the practical effect upon such a development (and its associated employment that the Senate Committee's main recommendation could have, especially in the light of a reducing level of sawlog production -

"With the exception of proposed projects intending to use as

chip materials only waste from genuine sawlog operations, no licence for the export of woodchips should be issued to new projects". They also emphasised that any such licences issued should be revoked immediately if additional felling operations occur after the initial approval.

If State Government decide to give approval to the proposed scheme (hopefully with at least stringent written safeguards), The Council wishes to press for all transport of chips for export to take place via rail to Newcastle. The State Pollution Control Commission's North Coast Woodchip Enquiry (7) found, under Agenda item 6.2(b), that the Maritime Services Board did not believe that any additional cargoes would be attracted to a more highly developed port at Coffs Harbour. In addition, all the proponents intending to use Coffs Harbour are prepared to admit that the heavy woodchip trucks would substantially add to the wear and tear of the public road network in the area. The Report of the Decentralisation and Development Co-ordinating Committee (8) claims that the contribution paid by the operators would total \$60,000 per annum, but this amount is miniscule compared with the actual costs which would be incurred by the D.M.R. The costs of road maintenance in Inlay Shire (covering the Eden woodchip project) is such that the neighbouring Mumbulla Shire is against the intrusion of woodchipping north of Bega in their Shire. The Nature Conservation Council are convinced that Koorangang (Newcastle) is preferable to Coffs Harbour as the export point because vessels of up to 50,000 tonnes will give economies of scale denied Coffs Harbour. The cost of rail haulage of approximately \$10/tonne would be offset by both the saving in the shipping freight rate and also by the contribution of about \$5/tonne towards the fixed costs of the N.S.W. Government Railways. It makes economic nonsense to have 20 trucks per day using the Pacific Highway between Coffs Harbour and Newcastle with their consequential road damage while unitised trains are available to perform the same task and in addition contribute over \$1 million annually to the N.S.W. Government.

In the light of the arguments presented above, the Council wish to recommend that no woodchip industry be established on the North Coast UNLESS the following conditions and requirements are fully satisfied:

1. Only 100% sawmill waste to be utilised - this proviso to be written into the agreement (but see Recommendation 4);
2. Safeguards be written into any agreement to ensure that only genuine sawlogs are extracted from the forest;
3. No timber should be utilised from private forests until such time as, at least, environmental safeguards and regulations comparable to those operating in public forests are available and enforced;
4. Forest residues should be utilised only if new independent research programmes reveal management techniques which prevent net nutrient losses and which also prevent the loss of any forest habitats and ecological niches;
5. All woodchips should be transported by rail to Newcastle for loading onto large vessels - all infrastructure costs to be met by the operator.

Finally, the Nature Conservation Council of NSW wish to make it clear that they fully support and endorse the following statement by Neville Wran -

"The forests of the North Coast should be managed in perpetuity as a forest resource, not merely a timber resource, and all their values maintained - it would be very wrong to permanently close future long-term options by making unsound decisions in the short-term".

omit

February 22nd, 1977

REFERENCES

- (1) Interim Report, "The Impact on the Australian Environment of the Current Woodchip Industry Programme". The Senate Standing Committee on Science and the Environment. December 1976.
- (2) Australian Entomological Society submission to the Senate Standing Committee Enquiry into "The Impact on the Australian Environment of the Current Woodchip Industry Programme".
- (3) National Parks Association of NSW submission to the North Coast Regional Advisory Council's Preliminary Development Plan.
- (4) Text of speech given by Mr. Wran at Coffs Harbour on 8 November 1975.
- (5) NSW Labor Party Congress, May 1976.
- (6) 'Indigenous Forest Policy', published by the Forestry Commission of NSW, 40 pp, October, 1976.
- (7) Report of North Coast Woodchip Enquiry, State Pollution Control Commission, October 1975.
- (8) Report of the State Decentralisation and Development Co-ordinating Committee on North Coast Woodchipping^{Industry}, Revised June 1976.

Agenda Item - Submitted by J.G. Somerville.

North Coast Woodchip Investigation

The Commission is currently carrying out an environmental investigation of a proposal by Sawmillers Exports Pty Ltd to operate a woodchip export scheme on the North Coast of N.S.W.

Commission officers and members should be aware that in certain important respects this proposal is at variance with the Commission's own recommendations as contained the Report on the North Coast Woodchip Inquiry (Nov 1975) and the decisions of Cabinet contained in letter reference D. 75/621 of 29th March 1977 to Allen Taylor & Co from the Minister for Decentralisation and Development.

The proponent states that a maximum of 350,000 green tonnes of woodchip per annum will be obtained from:-

- *Sawmill residues.
- *Logging and forest residues.
- *Silvicultural and agricultural residues.

Cabinet Decision No. 9 - "Woodchips are to be derived only from sawmill wastes and logging wastes obtained from lands under the control of the Forestry Commission."

Cabinet Decision No. 10 - "Wastes from private lands, other than sawmill wastes, are not to be used for wood-chipping until appropriate statutory controls are enacted".

Cabinet Decision No. 11 - "Controls will be imposed to ensure that additional felling of trees will not occur for woodchip production alone."

(This is stated to "clearly show the intention of Cabinet").

SPCC Recommendation 4.2 (Nov. 1975)

"That no approval be given to the export of woodchips derived

from trees felled on private lands, until such time as there are adequate statutory policies to ensure the proper environmental control of tree removal and forest management on private lands".

Despite these constraints, the proponent states in Section 15.4, dealing with the implications for private landholders, that "the sale of pulpwood would provide additional income and create a demand for a resource not previously utilized by private landholders".

This aspect is particularly relevant as forested lands in private ownership constitute 50% of the ~~Goffs Harbour~~ ^{Tara} Forest District and 40% of the total North Coast (S.P.C.C. Report Table 1). Clear felling for agriculture purposes (the likely stated reason) is not presently subject to any statutory controls nor is any legislation currently proposed. It is a non-taxable capital gain. The subject of controls is not mentioned in the proposal.

Silvicultivated residues are trees removed in silvicultural treatment of the forest and in regrowth thinnings. In the 1975 S.P.C.C. Inquiry (Page 53), the Forestry Commission representative indicated that the advent of a woodchip industry would alter the economics of forest management so that.....there would be a greater rate of removal of thinnings from forests than would occur were there no woodchip industry..... Income from woodchips would permit timber stand improvement for sawlog production".

Although the Forestry Commission claim that these forests would be managed primarily for sawlogs, this becomes a question of semantics. The reality can be quite different to that implied.

Cabinet has recently moved to prevent the removal of pulpwood for the Eden woodchip industry from the forested catchments of Nelson Lagoon and Middle Lake on the South Coast of NSW despite the claim that portions of state forests are being managed "primarily for sawlogs". There the volume of pulpwood extracted far exceeded that of sawlogs.

The proponents estimate of sawmill waste has unaccountably increased since the Cabinet decision that "additional felling of trees will not occur for woodchip production alone", as the following comparative figures show:-

	<u>1975 Estimate</u>	<u>1977 Estimate</u>
Log cut Jan 1975/6 from	Not given but in	
8 Forest Districts on North Coast.	fact,	
	1,084,641 cu. m.	1,084,641 cu.m.
Potential Recovery of Green Chips	365,000 (Tonnes)	542,321 (Tonnes)
Expected Recovery of Green Chips	225,000 (Tonnes)	350,000 (Tonnes)

It is agreed by all forest experts that sawmill wastes on the North Coast will continue to decline. FORWOOD 1974 estimates, quoted by the proponent in Table 13.2, show a 35% reduction in native sawlog removals between 1980 and 2010. Yet despite this admitted decline and a Forestry Commission comment in 1975 that for economic and environmental reasons very limited quantities of logging residues and silvicultural thinnings can be provided from state forests, the proponent states (Section 16.4) that "a woodchip project, once in operation on the North Coast, is bound to develop and expand.... Such expansion should not be regarded as part of the "wedge theory" but rather

as being an inevitable development as sawmillers optimise their use of the timber resource. "Additionally, there is an admitted potential conflict with other industries which may have a priority requirement for the same resource - Australian Paper Manufacturers who have already invested \$3 million and plan to establish a pulpwood mill at Coffs Harbour in the mid 1980's and Hardboards of Australia who could require 63,000 tonnes of chips per annum.

Conclusion

There is reasonable doubt that the resource will be sufficient to maintain long term viability of an export woodchip scheme requiring 350,000 tonnes without ultimately breaching Cabinet decisions and S.P.C.C. recommendations in regard to the use of private lands without statutory controls,

It is therefore recommended that the proponent be required to tabulate the source of woodchips in five yearly breaks from 1985 - 2000 and this data be approved by the Forestry Commission before any further consideration given to this proposal.

for

80/1058

The Director
Department of Environment
and Planning
G.P.O. Box 3927
SYDNEY, N.S.W. 2001

Attention: Mr J. Whitehouse

Dear Sir

Sawmillers Exports Pty Ltd - Woodchip Exports

We have received correspondence from the Department of Primary Industry in relation to a proposal to vary the source of wood supply to Sawmillers Exports P/L to include roundwood silvicultural thinnings for export as woodchips from the north coast of N.S.W. A copy of the letter of 24 September 1982 from Primary Industry with other relevant correspondence is attached.

You will recall that an environmental impact statement (EIS) was prepared in 1978 on the Sawmillers Exports proposal to meet Commonwealth and N.S.W. requirements. In making his recommendations to the Minister for Primary Industry on this proposal, the then Minister for Environment, Housing and Community Development advised that, inter alia:

because the environmental implications of utilizing forest residues in addition to sawlog residues has not been adequately canvassed in the final EIS, the Company should be informed that any future proposal to utilize forest residues will require a further application for export approval and environmental assessment in accordance with the Environment Protection (Impact of Proposals) Act.

I also note that in a letter of 19 May 1978 to the Prime Minister on this proposal, the N.S.W. Premier indicated that his Government had agreed to the proposal subject, among other matters, to the project being limited to sawmill residues and logging wastes as the source of material for the production of woodchips.

In the light of the above, I would be grateful for your views on the environmental aspects of this proposal and, in particular, on the need or otherwise for an EIS, before responding to the Department of Primary Industry.

Yours faithfully

E.M. Anderson

E.M. Anderson
for Secretary

12/10/82



Forestry Commission of N.S.W. Conserving Forests for the Future

Mr. A. C. Hogarth,
Technical Manager,
Sawmillers Exports Pty. Ltd.,
P.O. Box 9,
ARTARMON. N.S.W. 2064.

182

2nd November, 1982

Dear Sir,

This is to confirm that the New South Wales Government has varied its attitude to the use of certain forest residues on Crown-timber lands in this State.

The Government will now permit the sale, to an export woodchip industry, of additional hardwood material under the following guidelines :-

A. Land Tenure.

Unless such lands have been specifically reserved to be excluded from integrated sawlog/woodchip operations, the additional pulpwood can be obtained from:

- (i) State Forests
- (ii) Timber Reserves
- (iii) Timber Crown lands logged within the past 20 years or currently being logged.
- (iv) Purchase tenure lands subject to profit a prendre either now or in the future.

B. Material.

Operations are to be limited to certain forest "residues" which, in this context, include :-

- (i) Material obtained from the thinning of dense regrowth stands.
- (ii) Trees cleared during road construction or plantation establishment.
- (iii) Trees salvaged from natural disasters.
- (iv) Reject trees normally sold as an integral part of sawlog operations.
- (v) Other logging waste.

C. Environmental

Operations are subject to the appropriate environmental clearances and export licences being obtained.

1243

RETURN COPY

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83/2483
6.3.84
:CJ

- 8 MAR 1984

The Hon. John Kerin, M.P.
Minister for Primary Industry
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter concerning woodchip export proposals
by
Sawmillers Exports
Pty Ltd.

With respect to Sawmillers Exports, you advise that the Company has now sought to vary its export approval to include woodchips derived from silvicultural and forest residues from Crown forests for a five year period. The major obstacle to my advising on the environmental aspects for the use of these new sources for woodchip exports is the absence of any previous assessment of this particular project under the Environment Protection (Impact of Proposals) Act.

/...2

The Company has approval until June 1984 to export woodchips from the new sources. An appropriate course of action would be for the Company to prepare an EIS outlining the environmental effects of obtaining woodchips from these sources over the five year period. In this way the sources will not need to be reconsidered over short-term periods.

I would be prepared to support an extension of the Company's current approval to include silvicultural residues, within the current approved annual tonnage, to the end of 1984, without an EIS, on the clear understanding that an EIS will be required before any approvals are given for export beyond December 1984.

To forestall likely criticism that the Government is not following the ALP Platform with respect to the preparation of EIS's on these two woodchip export proposals, I believe it most desirable that we issue a joint statement setting out the reasons for our decision on this matter. A draft statement is enclosed for your consideration.

Yours sincerely

BARRY COHEN

Encl.

30.8.84 E. ANDERSON ADVISED J.A. THAT
C. Hd. ENV. IMP.
Div)

THERE WAS NO FURTHER
CORRESPONDENCE TO KERN

GA
20972
DIDO AA20972
HOMEAF AA62960



Attention Ian Lamb

30MAY84

URGENT

TO THE HON. T. SHEAHAN, M.L.A.
MINISTER FOR ENVIRONMENT AND PLANNING
PARLIAMENT HOUSE
SYDNEY NSW 2000

FM DEPT OF HOME AFFAIRS AND ENVIRONMENT - CANBERRA

L833

SAWMILLERS EXPORTS PTY LTD HAS APPLIED TO THE COMMONWEALTH TO VARY ITS WOODCHIP EXPORT APPROVAL TO INCLUDE RESOURCES FROM SILVICULTURAL RESIDUES AND FOREST RESIDUES FROM CROWN FORESTS IN THE COMPANY'S NEWCASTLE OPERATIONS. THE VARIATION IS SOUGHT FOR A FIVE YEAR PERMIT OF 350,000 TONNES PER ANNUM. THIS PROPOSAL HAS BEEN REFERRED TO ME BY THE MINISTER FOR PRIMARY INDUSTRY, MR KERIN, FOR ANY COMMONWEALTH ENVIRONMENTAL ASSESSMENT REQUIREMENT.

OUR OFFICIALS CONSULTED ON THE NEED FOR AN EIS ON THIS PROPOSAL AND IN A MEMORANDUM OF 29 OCTOBER 1983, YOUR DEPARTMENT AGREED WITH MY DEPARTMENT'S VIEW THAT ANY USE OF SILVICULTURAL RESIDUES SHOULD BE COVERED BY AN EIS ON A LONG-TERM VARIATION TO ITS EXISTING EXPORT APPROVAL.

IN A RECENT COMMUNICATION TO ME, MR KERIN HAS INDICATED THAT IN SEPTEMBER 1982, HIS PREDECESSOR WAS ADVISED BY THE THEN NSW MINISTER FOR LOCAL GOVERNMENT AND LANDS, THE HON A R C GORDON, THAT THE NSW GOVERNMENT HAD AGREED TO MODIFICATION OF ITS 1978 POLICY DECISION SO AS TO ALLOW INCLUSION OF SILVICULTURAL THINNINGS AND OTHER FOREST RESIDUE AS RESOURCES TO MAKE WOODCHIPS FOR EXPORT FROM THE STATE.

IN ADDITION, MR KERIN HAS PUT FORWARD HIS VIEW THAT THE ENVIRONMENTAL IMPLICATIONS OF UTILIZING SILVICULTURAL RESIDUES HAVE BEEN ADEQUATELY EXAMINED IN A 1975 NORTH COAST INQUIRY BY THE NSW STATE POLLUTION CONTROL COMMISSION AND IN A 1977 COMMONWEALTH PARLIAMENTARY INQUIRY INTO WOODCHIPS AND THE ENVIRONMENT.

IN THESE CIRCUMSTANCES, I WOULD BE GRATEFUL FOR YOUR VIEWS ON THE DEGREE OF FURTHER ENVIRONMENTAL ASSESSMENT YOU MIGHT CONSIDER APPROPRIATE FOR THE SAWMILLERS EXPORTS PROPOSAL.

I WOULD BE PARTICULARLY INTERESTED IN YOUR REACTION TO A PROPOSAL THAT THE NSW FORESTRY COMMISSION PREPARE AND MAKE PUBLIC AN APPROPRIATE ENVIRONMENTAL REVIEW AS THE RESPONSIBLE BODY FOR FOREST MANAGEMENT.

BARRY COHEN

DIDO AA20972
HOMEAF AA62960

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80/1058 (SE)

Note for FileInspection of Chichester State Forest, Dungog, N.S.W.

1. The inspection of Chichester State Forest, Dungog Forestry District, N.S.W., took place on 18 November 1982. Those in the party were Wally Carter (DPI), Ted Wrighter and Georgie Leggoe (DEP), Anne Conway and Neville Davies (FC Head Office), and myself, and those conducting the tour were Brian Salter, Deputy Regional Forester, Newcastle Region, and Mike Thompson, District Forester, Dungog. The State Forest covers a heavily forested, rugged area which rises to the Barrington Tops National Park. A significant proportion is rainforest. The inspection was undertaken in order to assess the impact of the harvesting of pulpwood, in the form of silvicultural regrowth thinnings and cullings of overmature trees, in a north coast forest.

2. A number of typical forest areas were inspected where the Foresters explained what sort of areas pulpwood might come from, how trees would be marked for this purpose, how areas were affected by sawlogging operations without pulpwood harvesting, how these would differ afterwards with such harvesting, and how logging operations would be conducted.

3. Areas and operations inspected included:

- areas where operations would largely be of a silvicultural nature (regrowth and overmature tree harvesting) with only incidental sawlog harvesting. This sort of operation is clearly the one which a pulpwood market might be instrumental in increasing in scale;
- sawlog harvesting, where pulpwood would largely be in the form of sawlog residues and culled overmature trees. The pulpwood harvesting impact in this case would be fairly marginal after the devastating short-term impact of sawlog harvesting and regeneration burning, particularly as overmature trees are currently ringbarked in this sort of operation;
- euclypt plantations, before and after thinning;
- thinning of regrowth areas which have been subject some years before to sawlog harvesting and regeneration, including burning, and ringbarking of large trees;
- recent regrowth areas following sawlog harvesting and regeneration;

- rainforest areas, which in many areas of the State including this area have not been harvested since 1976, and have largely survived;

- a water quality monitoring station, which is part of a hydrological study being conducted by several State agencies, to assess the effects on water quality and flow of alternative logging practices in separate catchments in the area.

4. The Foresters conducting the tour put the view that the majority of pulpwood, if it were to be harvested, would come from cullings of overmature trees, at present largely ringbarked, and that this would make no difference to the forest, apart from an improved appearance. According to the Management Plan for the area, foresters may leave up to 5 overmature trees per hectare, when regenerating, for seed, wildlife or aesthetic reasons.

5. The photos on file show ^a typical regeneration area with effects of ringbarking.

6. A general impression from the inspection, and from flying closely over State Forest in the Cessnock area on the way back, where extensive native forest clearing and regeneration activities could be seen, is that at present, without a pulpwood export market, very widespread silvicultural activities are undertaken in State Forests in the areas near Newcastle, to which the harvesting of some pulpwood would generally make little difference. In this context, Mike Thompson stated that currently in the Chichester Management Area about 500 ha. annually are harvested for sawlogs, and he estimated that the average pulpwood yield (sawlog and silvicultural residues) from these areas would be 70 tonnes per ha (range 30-100). Without any extension of silvicultural activities or use of other sources, this would give 35,000 tonnes annually of pulpwood from the Area alone.

7. It is worth noting that the Management Plan (1980) for the Chichester Area states that about one third of the broad area of State Forest will never be logged in any way as it comprises areas of steep slope, of poor resource, of rainforest, or in streamside reserves.

8. Agreement was reached between the Forestry Commission and DPI officers and myself that it would be appropriate if FC now sent two letters to DPI, with copies to DHAE and DEP, the first concerning the Walcha plantation fellings, an urgent matter from the FC point-of-view, which we should have little trouble agreeing to, and the second covering pulpwood to be harvested for export in 1983, from the areas near Newcastle.

This second letter would cover:

- . the areas resource would come from,
 - . types of operations involved,
 - . tonnages by areas and operations, and
 - . outline of environmental safeguards.
9. Later discussions with DEP officers (on file) established that DEP will be seeking similar information from FC, so our information requirements should largely coincide.


P.H. Pollard

25 November 1982.

31 JUL 1980



79/4816.

Premier of New South Wales

30 JUL 1980

Dear Mr. Willan,

I refer to your recent letter on behalf of the Nature Conservation Council of New South Wales concerning North Coast Woodchipping.

I have enclosed for your information a copy of a Forestry Commission reply to a letter published recently in the Sydney Morning Herald. This reply which the Herald did not see fit to use, addresses itself to points similar to those raised in your letter.

As newspaper coverage of the Commission's role may have been open to interpretation, I have also enclosed a copy of the Forestry Commission's background paper on the matter which is referred to in the Commission's reply to the Herald.

As indicated in your letter, the Government decided in 1978 that the project would be limited to sawmill residues and logging wastes as the source for production of woodchips.

Any expansion into the use of other forest residues (as might result from thinning or other silvicultural operations) would require further Government consideration and approval. Copy of this letter is being brought to the notice of the Minister for Forests and your Council may be assured that the Government recognises that any future proposal which might be put forward will need to be examined very closely.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'L.J. Ferguson'.

Acting Premier.

Mr. L. Willan,
Chairman,
The Nature Conservation
Council of N.S.W.,
399 Pitt Street,
SYDNEY. 2000.

9th May, 1980.

The Editor,
Sydney Morning Herald,
235 Jones Street,
BROADWAY, 2007.

Sir,

The letter from R. L. Laxton of Bowraville (S.M.H. 8th May) asserts that the Forestry Commission is mounting a large-scale campaign in local press and radio to allow the felling of "unwanted" trees for woodchipping.

The Commission agrees that it has a fairly active and effective publicity team, but the team is apparently even more effective than we thought - it can mount a large-scale campaign without even trying!

When Sawmillers Exports Ltd. announced the details of its wood-chip export scheme from the North Coast earlier this year, the Commission prepared and distributed a 5-page background paper outlining the nature of the scheme and its expected effects. As stated in the paper, and in accordance with earlier Government decisions, the project will be geared to the utilisation of sawmill residue and logging waste, the latter being the heads and butts of trees felled for sawlogs. Any expansion of the scheme into the use of other forest residues (as might result from thinning or other silvicultural operations) would require Government approval.

In conformity with views expressed repeatedly by the Forestry Commission ever since the North Coast woodchipping proposals were first publicly mooted six or so years ago, the background paper also includes the following comment:-

"In the longer run, the Forestry Commission would like to see some extension of the scheme to allow for the utilisation of some other forest residues, under appropriate safeguards to ensure the adequate protection of the forest environment. An extension of this nature would allow more areas of forest to receive the types of silvicultural treatment that they require, at little or no cost to the Government, and with a resultant improvement in the capacity of the forests to meet the future timber needs of the State."

We believe this to be a fair and factual expression of the views of the responsible forest management authority.

Since its release in late February, a number of newspapers on the North Coast have printed the background paper, or comments therefrom. In addition one of the Commission's senior officers on the North Coast has repeated the material in the paper in the course of a radio interview used by the A.B.C. regional station at Kempsey.

None of this would we regard as a campaign to allow the felling of unwanted trees; and it certainly does not warrant the description of a "large-scale campaign".

J. L. Henry

(J. L. HENRY)
Commissioner for Forests.

Woodchips from the North Coast

Introduction

From the days of the Cedar-getters, in the first half of last century, the North Coast of N.S.W. has been one of the major timber-producing regions in Australia.

Its forests have yielded a continuing supply of some of our finest timbers for use in the development of N.S.W. and for export. The fame of the North Coast as a timber region has rested particularly on its sawn timber, produced by numerous sawmills located throughout the region, but it has also provided many other wood products - railway sleepers, girders, wharf piles, poles and others.

However, with one exception, the North Coast has not so far featured in the most rapidly expanding field of wood usage, the pulp and paper industry. This situation is expected to change shortly with the establishment of a woodchip export project on the North Coast.

Woodchips

As their name implies, woodchips are small bits of wood, usually about the size of a 50 cent piece. They are produced by feeding larger pieces of wood, such as log billets or slabs and off-cuts from sawmills, through "chippers" - equipment with large, rapidly rotating blades that reduce the larger pieces of wood to chips. In the form of chips the wood is suitable for immediate treatment, by chemical or other means, to break it down to its constituent cellulose fibres as wood pulp. The pulp, in turn, provides the basic raw material for the manufacture of paper and of various types of building boards.

Until relatively recently, wood to be used for pulp was converted to chips at the pulpmill. However, with the development and improvement of both bulk transport systems and chipping equipment, it has become feasible to chip the wood in one location, store it in chipped form, and then convey it as required to the pulpmill, sometimes half a world away. Woodchips can be simply and economically stored and readily transported.

Resulting from this has been the establishment of woodchip export projects, with woodchips being produced in areas with an availability of suitable wood resources and then being transported to pulpmills in a different continent. On this basis a number of woodchip enterprises are functioning in Australia, mostly with the chips being exported to Japan. The first of these, and the only one so far operating in N.S.W., is located on Twofold Bay, on the far South Coast of N.S.W. (The story of this project is told in the Forestry Commission booklet, "Woodchips from Eden".)

Sources of Woodchips on the North Coast

Whilst all woodchips are produced from the wood of trees, there are a number of more immediate sources.

Most existing woodchip projects in Australia rely primarily on wood brought directly to the chipping plant from the forest. Thus

the industry at Eden obtains most of its raw material from the extensive block of native forest lying to the south and west of Twofold Bay. Any of the better quality trees in these forests are used to provide sawlogs, while trees that are unsuitable, now or in the future, for sawlogs are sent to the chipmill. Because of the history and nature of these far South Coast forests, most of the trees are in fact not suitable for more valuable uses, such as sawlogs, so that there is in the area a huge reserve of timber that has pulpwood, or woodchips, as its only feasible economic use. Logging and regeneration of these forests will produce new stands that will be of a much higher quality than the ones now being harvested.

By contrast, North Coast forests are generally of a much higher quality, supporting a large yield of sawlogs, and a woodchip scheme similar to that at Eden would not be realistic. Nonetheless there are other possible sources of woodchips in the North Coast forests. These include:

1. Logging Waste: the faulty butts and larger limbs and tops, left in the forest when a tree is felled and the sawlog removed. Also, trees felled for use as sawlogs, but found to be too faulty (e.g. because of excessively large, hollow "pipe" along the centre of the tree) when they are on the ground: such trees are known as "reject trees".
2. Plantation Clearing Residue: stems unsuitable for use as sawlogs, but that could be used for woodchips, are often pushed over and subsequently burnt in the course of clearing land for use as a forest plantation. About 600 ha of eucalypt plantation are established on the North Coast each year by the Forestry Commission.
3. Silvicultural Residue: even in the better quality eucalypt forests there are often many trees that cannot be used to provide sawlogs, poles or other current commercial timber products, because of malformation or other defects. These are often destroyed during the silvicultural treatment of the forest, to make room for potentially more valuable trees. These faulty stems could in some cases be used for woodchips.
4. Regrowth Thinnings: past silvicultural treatment has resulted in numerous stands of advanced regeneration throughout the North Coast forests. These contain small trees, unsuitable yet for use as sawlogs because of their small size or the timber quality problems inherent to many young eucalypts. A thinning of such stands, to remove the poorer trees and favour the better ones, would be to the long term advantage of the forest, and would produce material that could be used as woodchips.

All of these sources are available, to a varying extent, from State Forests on the North Coast. Together they represent a substantial resource, produced by Nature's harvesting of solar energy. They are also available from privately owned forest lands, which in addition could in some circumstances provide wood from land that is being cleared for future agricultural or pastoral use.

Besides these sources of woodchip material directly from the forest, there is a large resource produced annually from the operation of the region's sawmills.

When sawn timber is produced in a sawmill, about a third to a half of the original log is "wasted" - as sawdust and as slabbage, offcuts and similar material. Sometimes this "waste" can be utilised

as a valuable energy source for the mill, but most often it poses a considerable disposal problem for the sawmiller and ends up being burnt - usually at appreciable cost, and with more than a little resultant, albeit generally harmless, air pollution.

Whilst sawdust is unsuitable as a source of paper pulp, other sawmill waste is generally quite suitable. On the North Coast and Northern Tablelands over a million cubic metres of sawlogs a year are currently produced and processed. Although this yield is expected to decline to about 700 000 m³ over the next 30 years, it represents a very large resource of potential pulpwood, and it is virtually the only resource of a comparable magnitude in Australia without access to a significant woodchip or pulpwood market for its disposal.

Thus, although the scope does not exist for a woodchip project on the North Coast similar to the one at Eden, there are substantial resources of material suitable for use as woodchips available on the North Coast. At the same time the utilisation of some of these resources, unless carefully controlled, could bring in its train certain environmental problems; or it may not be economically feasible.

Pulpwood from the North Coast

The potential of the North Coast forests for the supply of pulpwood was recognised more than half a century ago. In 1924 the distinguished researchers from the then Technological Museum in Sydney, R.T. Baker and H.G. Smith, published the book, "Wood Fibres of Some Australian Timbers" (Govt. Printer, Sydney), dealing particularly with the pulping qualities of many North Coast trees.

More than a decade later a hardboard mill was established near Raymond Terrace, north of Newcastle, to produce building board from local timbers by the Masonite process. Initially this mill relied on timber from local forests, both State and private, but increasingly the plant, now operated by Hardboard (Australia) Pty. Ltd., has come to use residue from the district's sawmills as the source of most of its raw material, with timber coming direct from the forest representing a relatively small part of its wood intake. Compared with a paper mill, the wood requirements of this plant are quite small.

During the late 1950's Australian Paper Manufacturers Ltd., Australia's largest company in the pulp and paper industry, started planting seedlings of Flooded Gum (Eucalyptus grandis) and some other species on land that it had acquired in and around the Bellinger district of the North Coast. The company's announced intention was that these plantations, supplemented by supplies from other forest areas in the region, should serve as the source of the raw material for a pulpmill which it intended ultimately to build in the district. The plantations, mostly located on former farmland, now cover a substantial area, but to date no start has been made to the construction of a pulpmill.

Proposals for a woodchip export project on the North Coast were first investigated in the mid-1960's, and by 1975 four firm proposals had been put forward. These schemes each involved the shipment of chips to Japan from ports between Newcastle and Brisbane. All were based on the utilisation of sawmill waste, supplemented to varying degrees by the use of material obtained directly from the forest.

These schemes were examined in detail by the N.S.W. Government during 1975, with separate investigations by the State Pollution Control Commission and the State Development Co-ordinating

Committee of the Department of Decentralisation and Development. Both bodies recommended in favour of the establishment of an export scheme on the North Coast, subject to various limitations and provisos.

The Government's decision was announced in March, 1977, and included approval for the establishment of an export project, to be controlled by a consortium with majority Australian equity, and with the woodchips being derived only from sawmill waste or logging waste obtained from lands under the control of the Forestry Commission. Newcastle was stated as the preferred port of shipment.

The North Coast Woodchip Scheme

Following further negotiation with the Government by interested parties, the stage has now been reached where the export of woodchips from the North Coast to Japan is planned to commence about mid-1981.

The scheme will be operated by Sawmillers Exports Ltd., an Australian-owned and controlled company with a minority Japanese equity, and with one nominee of the N.S.W. Government on the Board of Directors.

The project is geared to the utilisation of sawmill residues and logging waste, the latter being the heads and butts of trees felled for sawlogs. Any expansion of the project into the use of other forest residues (e.g. from thinning or silvicultural operations) would be subject to the preparation of an environmental impact statement. Annual production would be in the range of 250 000 to 300 000 green tonnes.

The chips will be produced by chippers associated with the larger mills and receiving suitable waste from the sawmill operations. Smaller mills can participate either by carting their waste to established chippers, or by stockpiling it for processing by mobile chippers, if the operation of such chippers is economically satisfactory.

Export facilities will be provided by the operating company at Kooragang Island, in the Port of Newcastle. Supplies of woodchips will be obtained from sawmills in the region between Wyong and Grafton, and transport of the chips to the port will be by road, though the company is to keep under review the possibility of using rail transport. Woodchips from rainforest timbers are excluded from the scheme, and chips of Bloodwood and Turpentine are unacceptable.

Contracts have been completed for the supply of the chips to two major pulpmills in Japan. Both mills produce high grade printing and writing papers, and will be blending the pulp made from the Australian woodchips with pulpwood from indigenous Japanese sources.

The scheme has been approved to operate for 10 years, with the option of a further extension for 5 years.

In the operation of the scheme, supplies to existing users of woodchips, notably the hardboard plant at Raymond Terrace, will be safeguarded.

Conclusion

The Forestry Commission, as the manager, on behalf of the people of N.S.W., of the largest proportion of the forest resource on the North Coast, is pleased with the progress made towards the establishment of a woodchip export project in this region, and wishes every success to those involved in the project.

As currently approved and planned, the project will have only the slightest direct effect on the State Forests of the North Coast: that will come from the removal, in some cases, of timber that otherwise would be left to lie and rot on the forest floor following sawlog operations.

However there are other, and greater, benefits from this scheme:

- . Additional employment opportunities will be created in the supply, operation and servicing of the chipping facilities, in the transport of woodchips to the port, and in the operation of the port facilities.
- . It will provide a further source of export earnings for the State.
- . It will generate additional business activity, benefitting the whole State.
- . It will allow sawmills in the major native timber region of N.S.W. to be able to dispose, at a profit, of "waste" material that currently constitutes a charge against the operation of the mills, and thus to improve their operating economics.
- . It should help lessen air pollution, by reducing the quantity of waste that is normally burnt by mills.
- . It will put to productive use a large quantity of raw material that is currently wasted.

In the longer run, the Forestry Commission would like to see some extension of the scheme to allow for the utilisation of some other forest residues, under appropriate safeguards to ensure the adequate protection of the forest environment. An extension of this nature would allow more areas of forest to receive the types of silvicultural treatment that they require, at little or no cost to the Government, and with a resultant improvement in the capacity of the forests to meet the future timber needs of the State.

Forestry Commission of N.S.W.
Sydney.

20th February, 1980.

18 JUN 1980



STATE OFFICE BLOCK, MACQUARIE STREET, SYDNEY, N.S.W. 2000

Premier's Department

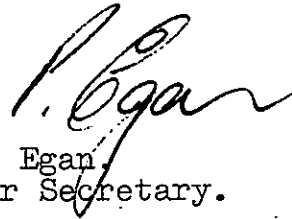
Dear Mr. Willan,

17 JUN 1980

The Premier has asked me to acknowledge your letter of 27th May, 1980 on behalf of the Nature Conservatorium Council of New South Wales concerning North Coast Woodchipping.

Your letter is receiving attention, and further advice will be forwarded as soon as practicable.

Yours faithfully,


P. Egan.
for Secretary.

Mr. L. Willan,
Chairman,
The Nature Conservation Council
of N.S.W.,
399 Pitt Street,
SYDNEY. N.S.W. 2000.

26th May, 1980

The Hon. N.K. Wran, QC, MLA
Premier of New South Wales,
Premier's Department,
State Office Block,
Phillip Street,
SYDNEY. NSW. 2000

Dear Mr. Wran,

The Executive of the Nature Conservation Council is greatly concerned that the NSW Forestry Commission is advocating a policy on North Coast woodchipping which is contrary to Cabinet policy.

The attached copy of a letter from the then Minister (Hon. D. Day) to Allen Taylor & Co. makes it quite clear in Decisions 9, 10 and 11 that Cabinet permission was given for the industry to draw its resource from sawmill and logging wastes only. Forestry Commission officers on the North Coast are now publicly campaigning for the felling of what they term "unwanted" trees in the name of "silvicultural improvement" in direct contravention of Cabinet's approval in March 1977 - see copy of Hon. D. Day's letter and Nambucca "Guardian News" article dated March 28 attached.

This Council, in common with many other conservation organisations, informed the State Pollution Control Commission Public Inquiry that the resource available was declining and was insufficient to support a viable woodchip export industry necessitating a minimum of 350,000 tonnes of woodchip per annum. We stated our firm belief that the "foot in the door" approach made it easy for the proponent to become established and extremely difficult to dislodge once the environmentally damaging practices foreseen by Cabinet were shown to be necessary for the economic viability of the industry.

It now seems that the fears of those concerned to preserve our environment will be realised unless you as Premier instruct the relevant Minister, Hon. A.R.L. Gordon, to cease canvassing changes in the relevant Cabinet decisions.

We look forward to hearing from you on this important issue; to pass the letter to Mr. Gordon for reply, would, I am sure you would agree, be quite inappropriate.

Yours faithfully,

L. Willan,
Chairman

Woodchipping

27th May, 1980

The Hon. N.K. Wran, QC, MLA
Premier of New South Wales,
Premier's Department,
State Office Block,
Phillip Street,
SYDNEY. NSW. 2000

Dear Mr. Wran,

The Executive of the Nature Conservation Council is greatly concerned that the NSW Forestry Commission is advocating a policy on North Coast woodchipping which is contrary to Cabinet policy.

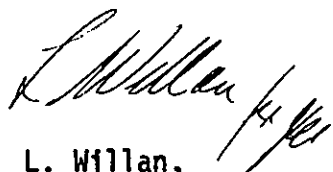
The then Minister (Hon. D. Day) in a letter to the sawmiller concerned made it clear in Decisions 8, 10 and 11 that Cabinet permission was given for the industry to draw its resource from sawmill and logging wastes only. Forestry Commission officers on the North Coast are now publicly campaigning for the felling of what they term "unwanted" trees in the name of "silvicultural improvement" in direct contravention of Cabinet's approval in March 1977 - see Nambucca "Guardian News" article dated March 28 attached.

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Yours faithfully,



L. Willan,
Chairman

NATURE CONSERVATION COUNCIL OF NSW

THE NATURE CONSERVATION COUNCIL OF NSW

399 PITT ST., SYDNEY, NSW 2000
TELEPHONE (02) 233 5388. TELEX AA 24041



26th May, 1980

The Hon. N.K. Wran, QC, MLA
Premier of New South Wales,
Premier's Department,
State Office Block,
Phillip Street,
SYDNEY. NSW. 2000

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The Executive of the Nature Conservation Council is greatly concerned that the NSW Forestry Commission is advocating a policy on North Coast woodchipping which is contrary to Cabinet policy.

The then Minister (Hon D. Day) in a letter to the sawmiller concerned made it
~~The attached copy of a letter from the then Minister (Hon. D. Day) to Allen Taylor & Co. makes it quite clear in Decisions 9, 10 and 11 that Cabinet permission was given for the industry to draw its resource from sawmill and logging wastes only. Forestry Commission officers on the North Coast are now publicly campaigning for the felling of what they term "unwanted" trees in the name of "silvicultural improvement" in direct contravention of Cabinet's approval in March 1977 - see copy of Hon. D. Day's letter and Nambucca "Guardian News" article dated March 28 attached.~~

This Council, in common with many other conservation organisations, informed the State Pollution Control Commission Public Inquiry that the resource available was declining and was insufficient to support a viable woodchip export industry necessitating a minimum of 350,000 tonnes of woodchip per annum. We stated our firm belief that the "foot in the door" approach made it easy for the proponent to become established and extremely difficult to dislodge once the environmentally damaging practices foreseen by Cabinet were shown to be necessary for the economic viability of the industry.

It now seems that the fears of those concerned to preserve our environment will be realised unless you as Premier instruct the relevant Minister, Hon. A.R.L. Gordon, to cease canvassing changes in the relevant Cabinet decisions.

We look forward to hearing from you on this important issue; to pass the letter to Mr. Gordon for reply, would, I am sure you would agree, be quite inappropriate.

Yours faithfully,

L. Willan,
Chairman

D75/621

Mr. Chapman,
Allen Taylor & Co.,
120 Pacific Highway,
ST. LEONARDS, 2065

Dear Mr. Chapman,

Further to recent brief advice to you from the Director of my Department, which included a copy of the press release of 16th March, 1977, by the Premier, the Hon. H.K. Wran, Q.C., M.L.A., I am now able to advise members of your consortium in more detail concerning particular aspects of North Coast woodchip export proposals, upon which firm decisions have now been taken by Cabinet.

Because I have found it necessary to include some comments and personal views as background, I have numbered the decisions taken by Cabinet for clarity.

The N.S.W. Government was advised of a consortium arrangement between North Coast sawmillers and Japanese interests including the four principals who had previously submitted independent woodchip export proposals. The "Sawmillers Group" has been represented by Allen Taylor & Co. Ltd. and Sawmillers Woodchips Pty. Ltd. Officers of my Department encouraged the consortium to agree that all established sawmillers on the North Coast be given the opportunity for equity participation in the proposed venture.

The "Japanese Group" included Nippon Pulp, C. Itoh & Co., Toyo Menka Kaisha and Daishowa Paper Co., who are represented in Australia jointly by Toyomenka Australia Pty. Ltd. and C. Itoh & Co. Australia Pty. Ltd.

Decision 1 On the basis outlined the composition of your consortium and the company structure foreshadowed appears acceptable to Government. You are accordingly informed that the Government of N.S.W. has agreed that your consortium be given an undertaking whereby you are allocated six months in which to prepare and table a firm proposal and that during this time the Government of N.S.W. will not consider any woodchip export proposal by others.

Decision 2 There is only to be a single proposal for the establishment of one integrated woodchip export industry on the North Coast of N.S.W.

Decision 3 Australian participants shall hold not less than 51% equity interest in the company to receive the woodchip export licence.

Officers of my Department have encouraged the consortium to agree that Government oversighting be facilitated so that Government can continuously be satisfied that the price to be obtained for export woodchip is reasonable and provides an equitable return to all sawmillers. This is intended to maintain a reasonable value for the resource exported and also to protect prices paid to those sawmillers who are not able to participate financially in the venture or only able to do so to a modest extent.

Decision 4 No Government financial contribution is to be sought or required towards the establishment or development of the proposed industry, and associated facilities or infrastructure costs such as roads, wharfs etc.

Officers of my Department are aware that the consortium has proposed a road construction and dredging of the harbour at its own cost at Coffe Harbour for example, and are equally aware that the consortium expects dredging of the Newcastle harbour bed, should Newcastle be chosen, to be done by Government.

Decision 5 Participants in the venture are to accept full responsibility for securing all funds necessary for its establishment and development without recourse to any form of Government support or guarantee.

Decision 6 The venture when established will comply with all normal statutory requirements of the N.S.W. Government and with such special requirements and conditions as either the N.S.W. or Commonwealth Governments may determine should apply to its operation and or be attached to the export licence when issued.

Decision 7 The operators are to submit a comprehensive environmental impact statement prepared by independent experts approved by Cabinet and to include:-

- (a) A complete biological investigation of the establishment of an export woodchip industry in accordance with the firm proposal as finally presented.
- (b) Evidence to show that the way in which the project will be conducted will cause little or no ecological damage or diminution of the non-wood production values of the native forests.
- (c) An assessment of the short and long term economic and environmental effects of the project on the region from which material will be drawn.

Decision 8 Sufficient waste wood being available from tree felling activities under the control of the Forestry Commission of N.S.W. to allow an export licence to be issued for 350,000 tonnes per year.

Decision 9 The woodchip are to be derived only from saw mill waste or logging waste obtained from lands under the control of the Forestry Commission.

Decision 10 Wastes from private lands other than saw mill waste and logging waste, are not to be used for woodchipping until appropriate statutory controls are enacted.

Decision 11 Controls will be imposed to ensure that additional felling of trees will not occur for woodchip production alone.

Officers of my Department consider the wording of decisions 8, 9 and 10 could possibly be regarded as contradictory however I believe decision 11 clearly shows the Intention of Cabinet. I shall seek to elucidate the matter during our coming negotiations.

Decision 12 The consortium would be required to include wastes available from established saw millers purchased at an equitable price in preference to logging wastes and forest residues. Logging wastes and forest residues would be permitted to bring the total to 350,000 tonnes per year.

Officers of my Department recognise the need for the industry to be truly based upon waste and to ensure that maximum sawn timber is produced from all trees felled. This decision has been taken by Cabinet as obviously sawmillers will receive better returns from sawing logs than allowing them to pass the saw in any way towards woodchips production only and this also reduces felling of trees and conserves resources.

Decision 13 Newcastle is preferred as the port of shipment for the industry.

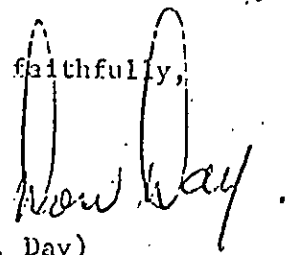
The consortium should be aware that a final decision on any possible ports will be taken by the Government only when your firm proposal is available for consideration in detail. I feel you should be informed that whilst a preference has been expressed by Cabinet this does not preclude your consortium from choosing another port and explaining why your decision has been made.

Decision 14 I have been authorised to conduct with the consortium such further negotiations as are necessary to bring matters to the stage where the consortium is able to present before the Government a firm proposal to comply with all State requirements and to provide full and comprehensive information confirming the final composition of the company and its financial structure..

In this regard, Mr. M.L. Somers, Assistant Director/Technical of my Department, would be a convenient contact on most matters where guidance may be needed, phone 270 6123.

I accordingly look forward to receiving copies of your firm proposal plus required attachments on or before 25th September, 1977. It has been arranged that I will review the firm proposal together with my colleagues the Minister for Planning and Environment, the Hon. D.P. Landa, LL.B., M.L.C., and the Minister for Conservation and Minister for Water Resources, the Hon. A.R. Gordon, M.L.A., in order that we may make our report to Cabinet.

Yours faithfully,



(D. Day)

Minister for Decentralisation
and Development.

7 FEB 1978

STATE POLLUTION CONTROL COMMISSION



157-167 LIVERPOOL STREET, SYDNEY 2000

G.P.O. BOX 4036, SYDNEY 2001

TELEPHONE: 2 0661

The Executive Secretary
Nature Conservation Council of NSW
399 Pitt Street
SYDNEY NSW 2000

1 FEB 1978

OUR REF: WM:CB

Please quote: 700063

Dear Sir

Proposed Woodchip Export Industry - North Coast

Thank you for your submission of 23 January 1978 concerning the environmental impact statement for a North Coast woodchip export project as proposed by Sawmillers Exports Pty Ltd.

We have noted your comments and will take these into account in our assessment of the environmental impact of the proposal.

Yours faithfully

J P DICKESON
Secretary

Woodchip - Nth Coast



NEW SOUTH WALES
MINISTER FOR PLANNING AND ENVIRONMENT

25 OCT 1978

Mr John K Hibberd
Executive Secretary
The Nature Conservation Council
of New South Wales
399 Pitt Street
SYDNEY N S W 2000

Please quote 700063

19 OCT 1978

Dear Mr Hibberd

I refer to your letter of 14 July 1978 concerning woodchipping operations on the North Coast and appreciate your expression of support in relation to the Government's decision.

As you are aware, the Government has recommended approval of the proposal by Sawmillers Exports Pty Ltd to export woodchips from the port of Newcastle subject to specified conditions. Any extension of the present proposal will require a further assessment of environmental impact.

The Government has indicated the project will be limited to sawmill residues and logging wastes as the source of material for production of woodchips. In this context logging wastes are regarded as the heads, limbs, and faulty butts of trees felled for use as sawlogs. There is no reference to the term "logging residues" used in your letter and no suggestion that additional trees would be felled solely for production of woodchips.

The Government is seeking to utilise waste material as a wise approach to conservation and use of natural resources. It is not the intention of the Government to promote further exploitation of our natural forests.

Yours faithfully

A handwritten signature in cursive script, reading "Paul Landa".

PAUL LANDA
Minister for Planning and Environment

M

WOODCHIPPING - Nth
Coast



NEW SOUTH WALES
MINISTER FOR DECENTRALISATION AND DEVELOPMENT
MINISTER FOR PRIMARY INDUSTRIES

30 SEP 1977

28 September, 1977.

Mr J.K. Hibberd,
Executive Secretary,
Nature Conservation Council of N.S.W.,
399 Pitt Street,
SYDNEY. 2000.

Dear Mr Hibberd,

The Minister for Conservation and Water Resources,
the Hon. A.R.L. Gordon, M.L.A., has referred to me your
correspondence of 12 September, 1977 concerning the export
woodchip operation.

However, as you also wrote to me in this matter
my acknowledgement indicated that your submissions were
receiving attention and that further advice would be sent
to you as soon as possible.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'D. Day'.

(D. Day)

Minister for Decentralisation and
Development.



NEW SOUTH WALES
MINISTER FOR DECENTRALISATION AND DEVELOPMENT
MINISTER FOR PRIMARY INDUSTRIES

30 SEP 1977

27 September, 1977.

Mr J.K. Hibberd,
Executive Secretary,
Nature Conservation Council of N.S.W.,
399 Pitt Street,
SYDNEY. 2000.

Dear Mr Hibberd,

Your letter of 12 September, 1977 is acknowledged.

The submissions presented are being studied and at the earliest practicable date I will advise you concerning those various matters which are of concern to your Council.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'D. Day'.

(D. Day)

Minister for Decentralisation
and Développement.



76/890/1

STATE OFFICE BLOCK · MACQUARIE STREET · SYDNEY, N.S.W. 2000

Premier's Department

26 SEP 1977

22 SEP 1977

Dear Mr. Hibberd,

I have been asked by the Premier to let you know that he has received copy of the letter you addressed to the Minister for Planning and Environment concerning the question of the establishment of an export woodchip industry on the north coast.

Mr. Wran wishes me to say that he has noted all you have said and that the matters raised will be given careful consideration.

Yours faithfully,

G. Gleeson
Under Secretary.

Mr. J.K. Hibberd,
Executive Secretary,
The Nature Conservation
Council of New South Wales,
399 Pitt Street,
SYDNEY. 2000

M.

Minister for Conservation and Water Resources
Sydney

21st September, 1977

Mr. J. K. Hibberd,
Executive Secretary,
Nature Conservation Council of
N.S.W.,
399 Pitt Street,
SYDNEY. N.S.W. 2000.

Dear Mr. Hibberd,

Receipt is acknowledged of your letter dated
12th September, 1977, requesting access to proposals
submitted to the Government in respect of an export
woodchip operation on the North Coast.

I wish to inform you that negotiations involving
a woodchip industry on the North Coast are being conducted
by my colleague the Hon. D. Day, M.L.A., Minister for
Decentralisation, Development and Primary Industries and
therefore I have taken the liberty of referring your letter
to him for his consideration and reply direct to you.

Yours faithfully,



(A.R.L. GORDON),
MINISTER FOR CONSERVATION
AND WATER RESOURCES.

399 Pitt Street
Sydney NSW 2000
Telephone: (02) 233 5388

12 September 1977

The Hon. D. Day, MLA
Minister for Decentralisation and Development
and Primary Industries
Citra House, 127 Macquarie Street
Sydney NSW 2000

Dear Mr. Day,

The Premier announced on 16 March 1977 that an export woodchip operation would be authorised on the north coast subject to certain conditions which would be decided within six months. We understand that Allen Taylor and Company, with the assistance of W. D. Scott, have prepared a proposal and that this will be completed this month.

The members of this Council are particularly concerned with the conditions likely to be imposed upon Allen Taylor & Company if this proposal is accepted. We feel that it is in the public interest for the Nature Conservation Council to be supplied with a copy of any proposals submitted to the NSW Government on this matter in addition to a copy of any contract which may be signed by Allen Taylor & Company and the Government.

Our Council has no objections to an export woodchip operation based entirely on saw mill wastes but we believe that the inclusion of "waste" wood from Forestry Commission intensive forestry practices will encourage the further degradation of native forests.

The Commonwealth Government has now stated that it supports in principle the use of previously cleared land for softwood plantings, to the greatest extent possible. As you know, NSW Labor Party Policy, adopted by State Congress 1975, states "no further major softwood projects involving the clearance of large areas of native forests should be commenced and similar projects not already well advanced should be curtailed. Any future softwood plantations should be on previously cleared land".

The Premier stated recently that the citizen has not only a right but also an obligation to be involved in the public affairs of this nature.

Your advice on the further considerations which will apply after the receipt of a firm proposal from Allen Taylor & Company, and the desirability of making copies of submissions and agreements available to this Council would be much appreciated.

Yours faithfully,

John K Hibberd
Executive Secretary

Above letter also sent to:

The Hon. D. Day, MLA
Minister for Decentralisation and Development
and Primary Industries
Citra House
127 Macquarie Street
Sydney NSW 2000

The Hon. D. P. Landa, LLB, MLC
Minister for Planning and Environment
12th floor
139 Macquarie Street
Sydney NSW 2000

The Hon. A. R. Gordon, MLA
Minister for Conservation and Water Resources
~~Chief Secretary's Building~~ 6th floor, State Office Block,
~~121 Macquarie Street~~ Phillip Street.
Sydney NSW 2000

With a copy to:

The Hon. Neville Wran
Premier
8th floor
State Office Block
Macquarie Street
Sydney NSW 2000

Tapes 4.

Submission to

NEW SOUTH WALES GOVERNMENT CABINET SUB-COMMITTEE

on

PROPOSED NORTH COAST WOODCHIP INDUSTRY

Associate Prof. R. Carolin
J. G. Somerville
J. K. Hibberd, B.Sc.

February 1977

The Nature Conservation Council of NSW, in making this submission to the NSW Cabinet, wishes to state quite clearly, at the outset, that it has no fundamental objection to a woodchip industry on the north coast as long as only saw mill waste is utilised and also that strong and enforced safeguards are operating to ensure that there is no increase in logs removed from the forests in order to satisfy the economics of the chipping operation. Having stated this position, it is our considered opinion that these requirements will not be satisfied by the proponents of the north coast woodchip project.

When the Cabinet Sub-Committee requested our Council to make this submission they also asked us to comment upon the adequacy of the safeguards put forward by the proponents of the woodchipping scheme. Unfortunately, in spite of the Cabinet Sub-Committee's wish, the Nature Conservation Council has been unable to obtain the relevant documents and are thus unable to make any specific comments on this matter at this stage.

In submissions already placed before you (by Ecology Action amongst others), we believe it has been quite clearly shown that there is an expected decline in saw log production in the region. If the woodchipping interests are so convinced that ample saw mill waste will be available, then this constraint should be written into any agreement. We believe that once mill wastes drop in volume there will be enormous pressure for timber to be felled purely in order to keep the chipping operation economically viable. Their case for an increased onslaught on public and private forests on the north coast will be made all the more difficult to resist because of the twin spectre of unemployment and the withdrawal of investment capital. The Senate Standing Committee on Science and the Environment (1) believed that "approval of any such schemes should however incorporate safeguards to ensure that material chipped is restricted to genuine wastes and residue, and that additional trees are not felled merely to maintain or increase chip supplies".

Should the woodchipping operations be forced to look beyond mill wastes for their timber supply, we feel that there will be a substantial extension of clear felling in the region. Clear felling is a forestry practice, we submit, which has no place in our native forests except under rare circumstances which do not arise on the North Coast. The fact that it causes soil erosion, siltation of streams, reduction of wildlife species, diminution of recreational and scientific values, and

destruction of the landscape's scenic beauty are well documented and are evidenced in the woodchipping operations of Harris-Daishowa at Eden.

The Forwood Conference (Panel III) claims that clear felling is the simplest and easiest method to use in an integrated saw wood/pulp industry, as is envisaged at Coffs Harbour. The Nature Conservation Council is concerned that this philosophy will eventually prevail in any North Coast woodchipping industry as demonstrated in the Ecology Action Submission.

Dr. New of Latrobe University⁽²⁾ has found that forest management practices subsequent to clear felling may result in very considerable habitat and faunal alteration. The floristic pattern in forests is nearly always markedly changed after clear felling. Even when native hardwoods are resown the resulting forest is established with coupes of even-aged trees (monoculture) which ecologically provide a highly artificial situation which is highly prone to pest attack; in addition to providing an impoverished spectrum of available habitats for native fauna. Post-clear felling management also frequently aims at reducing 'undesirable' understory vegetation (ie wattles) which can support insect communities of up to 200 different species (2, page 3), together with their superstructure of predators.

It should also be remembered that the National Parks and Wildlife Service of New South Wales believes the North Coast forests to be the most ecologically diverse of any region in the State and that the National Parks Association of NSW have more than 20 proposals outlined for additional national parks in the areas⁽³⁾. One of the most valuable, poorest conserved and rarest habitats on the North Coast is that of sub-tropical rainforest and Dr. New states quite unequivocally "the intrusion of clear felling practices into such areas should be strongly resisted and cannot be condoned".

Even if 100% clear felling does not occur, the Council is most concerned that the drive for more timber will result in far more intensive forestry than is at present carried out in both public and private forests in the region. We believe that private forests are equally part of our heritage and natural resources as are State-owned forests and should not be exploited (with possible long-term detrimental effects) for short-term financial gain.

Neville Wran has stated⁽⁴⁾ that "before the Forestry Commission is allowed to become involved in the approval or management of any North Coast woodchip schemes, there should be clear legislative control over all forestry practices on public or private lands, and the Forestry Commission must be able to demonstrate that it can adequately carry out its existing commitments". The Nature Conservation Council of NSW wholeheartedly endorses these views of the Premier.

The Nature Conservation Council totally opposes the concept of the extraction of 'rubbish' timber. This emotive term is both highly misleading and totally inaccurate. The forest only functions efficiently as a production unit if preserved as a discrete ecosystem and those trees designated as 'rubbish' fulfil vital roles both in the floristic diversity of the forest and in the provision of wildlife niches. It has been suggested, by proponents of the woodchip project, that 'forest wastes' (another false and unfortunate term) should be utilised in the chipping operation. We object to this on two grounds. Firstly, extraction by heavy machinery could result in soil compaction, subsequent increased runoff and erosion coupled with reduced germination of seeds⁽²⁾. Secondly, the removal of forest residues can have a marked effect upon the nutrient balance of the ecosystem. Extensive studies overseas have shown that careful research and planning is needed to ensure that the amount of nutrients removed in wood products balances inputs to the forest ecosystem via rainfall, run-off and the weathering of the parent rocks. If nutrient removal exceeds supply, it is obvious that a gradual rundown in available nutrients will occur with a parallel decline in the forest's productivity. In the absence of suitable Australian research data we submit that no residues should be utilised until such information becomes available. Even in the case of forest residues burnt on site, there is still considerable doubt that such practices are consistent with the maintenance of a stable nutrient balance.

The Botany Department of the University of New England has for some time been engaged in research on mineral nutrient recycling and the School of Biological Sciences at the University of Sydney has made submissions to the Energy Institute for financing research into nutrient cycling in poor-grade forests. We submit that such independent research, made available to both the Forestry Commission and the public, is the most satisfactory way of obtaining information to be used as a base for sound forest management. However, in stating this, we do not wish to throw any

doubts upon the competence of Commission Researchers, only to point out the inadequacy of their number and the difficulty of access to their results.

The Council remember that the NSW Labor Party Platform, upon which it was elected, states the following -

- 5.1 "The wood production activities in the forests of the North Coast should be primarily directed towards the maintenance of the established saw-milling industry.
- 5.2 "That any chipping operations on the North Coast be limited to woodchips derived from the slabs offcuts and dockings that would be rejected as wastes in normal saw-milling operations and to forest residues gathered from forests under the supervision of the Forestry Commission in an environmentally acceptable manner. That no approval be given to the export of woodchips derived from trees felled on private lands, except in respect of the residues derived from the milling of sawlogs derived from private lands, until such time as there are adequate statutory powers to ensure the proper environmental control of tree removal and forest management on private lands".

The Council sincerely trusts that the Government will keep faith with the electorate.

We also share the general misgivings of the Senate Standing Committee on Science and the Environment in their Interim Report on Woodchipping⁽¹⁾ when they state, "Environmental threats, notably those relating to soil nutrients, wildlife preservation and the conservation of genetic characteristics are less well understood and require further research to identify their true nature and magnitude and to determine ways to counter them effectively". (Conclusion 4). The Senators believe that the Forestry industry, with its traditional production oriented attitude, tends to exacerbate the environmental impact of many operations (Conclusion 5) and that not only are current environmental protection measures "inadequate in some respects but also that their enforcement is unsatisfactory" (Conclusion 6).

It has been publicly stated by Labor Party leaders that the North Coast is "one of the most beautiful stretches of coastline in Australia. Beyond the beaches the hinterland is wild, rugged and spectacular. It is a tourist resort and tourism will ensure its economic future". The Nature Conservation Council strongly believes that woodchipping, and especially the inevitable expansion of clear felling, (refer to Ecology Action's Submission) is totally incompatible with tourism; the latter being of paramount importance to the long-term economic and employment benefit of the North Coast and of New South Wales as a whole. After all, the Forestry Commission in its policy statement on the management of indigenous forests⁽⁶⁾ states that their primary objective is:

"To manage the forests of New South Wales for the benefit of the people of New South Wales".

We are absolutely sure that the greatest benefit to all the people of the State will not be served by the establishment of a woodchip industry except under the most exacting conditions and under the most rigidly enforced safeguards to preserve the natural resources of the region. Mr. Wran, in his abovementioned address, obviously also believes that "the residents of the North Coast would benefit more directly if the official and unofficial subsidies which the State and Federal Governments would have to give to a woodchip industry, were directed to supporting developments more obviously in the residents' interest; for example, the support of local light industry, the proper management of the North Coast forests to support the sustained production of sawlogs, better tourist facilities and support for the commercial fishing industry".

Before approval is given to any proposed new woodchip schemes in New South Wales, the Council feels that the NSW Government should very seriously consider the practical effect upon such a development (and its associated employment) that the Senate Committee's main recommendation could have, especially in the light of a reducing level of sawlog production -

"With the exception of proposed projects intending to use as chip materials only waste from genuine sawlog operations, no licence for the export of woodchips should be issued to new projects".

They also emphasised that any such licences issued should be revoked immediately if additional felling operations occur after the initial approval.

If State Government decide to give approval to the proposed scheme (hopefully with at least stringent written safeguards), The Council wishes to press for all transport of chips for export to take place via rail to Newcastle. The State Pollution Control Commission's North Coast Woodchip Enquiry⁽⁷⁾ found, under Agenda item 6.2(b), that the Maritime Services Board did not believe that any additional cargoes would be attracted to a more highly developed port at Coffs Harbour. In addition, all the proponents intending to use Coffs Harbour are prepared to admit that the heavy woodchip trucks would substantially add to the wear and tear of the public road network in the area. The Report of the Decentralisation and Development Co-ordinating Committee⁽⁸⁾ claims that the contribution paid by the operators would total \$60,000 per annum, but this amount is miniscule compared with the actual costs which would be incurred by the D.M.R. The costs of road maintenance in Imlay Shire (covering the Eden woodchip project) is such that the neighbouring Mumbulla Shire is against the intrusion of woodchipping north of Bega in their Shire. The Nature Conservation Council are convinced that Koorangang (Newcastle) is preferable to Coffs Harbour as the export point because vessels of up to 50,000 tonnes will give economies of scale denied Coffs Harbour. The cost of rail haulage of approximately \$10/tonne would be offset by both the saving in the shipping freight rate and also by the contribution of about \$5/tonne towards the fixed costs of the NSW Government Railways. It makes economic nonsense to have 20 trucks per day using the Pacific Highway between Coffs Harbour and Newcastle with their consequential road damage contribute over \$1 million annually to the NSW Government.

In the light of the arguments presented above, the Council wishes to recommend that no woodchip industry be established on the North Coast UNLESS the following conditions and requirements are fully satisfied:

1. Only 100% sawmill waste to be utilised - this proviso to be written into the agreement (but see Recommendation 4);
2. Safeguards be written into any agreement to ensure that only genuine sawlogs are extracted from the forest;

3. No timber should be utilised from private forests until such time as, at least, environmental safeguards and regulations comparable to those operating in public forests are available and enforced;
4. Forest residues should be utilised only if new independent research programmes reveal management techniques which prevent net nutrient losses and which also prevent the loss of any forest habitats and ecological niches;
5. All woodchips should be transported by rail to Newcastle for loading onto large vessels - all infrastructure costs to be met by the operator.

Finally, the Nature Conservation Council of NSW wishes to make it clear that they fully support and endorse the following statement by Neville Wran -

"The forests of the North Coast should be managed in perpetuity as a forest resource, not merely a timber resource, and all their values maintained - it would be very wrong to permanently close future long-term options by making unsound decisions in the short term".