Submission to the Senate Rural and Regional Affairs and Transport Committee

Inquiry into the Implementation, Operation and Administration of the Legislation Underpinning Carbon Sink Forests

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We have all heard the joke about the homing pigeon salesman who ran a lucrative business selling the same pigeons over and over again.
If this proposed legislation becomes law, Australia will see a rash of homing pigeon salesmen, only this time they will be selling offsets of tree crops grown on the same land over and over again. The trees will be cut down, probably for woodchips which quickly degrade. If all goes well, the next crop of tees will reabsorb the carbon dioxide released from the previous cycle of logging and so on and so on, in a futile series of rotations until the land and probably its water supply are exhausted.
There will be no benefit to the environment.
This submission argues that rather than use questionable short term plantations to fix carbon as offsets, we should be protecting our remaining native forests as our most vital carbon sinks. That would be a far more effective and far cheaper option.

- Logging of native forest contributes almost 10 percent of Australia's greenhouse gas emissions and 20 percent of emissions globally.
- Native forests, especially old forests are massive carbon stores. Plantation and regrowth forests, while fixing carbon at a faster rate, take about two centuries before they regain the carbon released to the atmosphere when a mature forest is logged.
- Australia is subsidizing the protection of native forests in South East Asia while continuing to destroy its own forests. In international forums such as the recent Bali conference, Australia will have far greater credibility if it protects its own native forests.

Native forests are more valuable as carbon sinks than as woodchips

- Australia's native forests – like others around the world – are among our most precious carbon sinks and it makes no sense to be logging them, especially for such an ephemeral product as woodchips.
- The protection of native forests is a far more effective way to sequester carbon than short term tree crops which have a brief life as trees and probably an even briefer life as products such as paper.
- In south eastern Australia, the vast majority of trees logged end up as woodchips. In the Eden region, for example, approximately 95% of timber felled is woodchipped. As paper products, these have a life of up to three

years. Even manufactured timber products are mostly low value, short lived items such as pallets, which usually end up as landfill or are chipped as mulch within 5 to 7 years.

- The Eden woodchip mill exports about one million tonnes of woodchips per year, mostly to Japan.
  On the NSW south coast, over 12,000 hectares per year (South Coast, Eden regions) are cleared to supply this wood. In Victoria, approximately 5,500 ha are cleared to supply the Eden chipmill.
- Forest destruction in the south east region has been estimated to release between 700 to over 1,000 tonnes of CO2 equivalent into the atmosphere for every hectare logged, depending on the forest type.
- In addition, trucks delivering loads to the mill travel 14.5 million kilometres per year, generating a further 2 million tonnes of CO2 per year.
  The electricity used in the chipping process is significant, but not known. All chips are exported, using additional fossil fuels and generating greenhouse gasses.
- In NSW, the native forest woodchipping industry is highly profitable for the Japanese owned company, but for the taxpayers of the State it has cost many millions of dollars over the years. Revenue received from pulpwood royalties is currently about $3.5 million less than the cost to Forests NSW of running its woodchipping operations.
- A similar situation applies in Victoria. Last financial year VicForests returned a $17,000 loss to Victoria for the logging of native forests.
- Other costs to the community from woodchipping include the loss of water quality and quantity, degradation of topsoil, damage to roads and other infrastructure. In addition, it is impossible to quantify the loss of wildlife and habitat.

These costs should be taken into account when assessing the cost effectiveness of native forests compared to short rotation plantations as carbon sinks.

Plantations can have a valuable role in timber production and taking pressure off native forests, but as carbon sinks they have their limitations.

Native forest wood "waste" is not renewable fuel, but plantation wood can be

The COAG Design Options for the Expanded National Renewable Energy Target Scheme deem native forest wood "waste" to be renewable

> *Extract from the options paper:*
> *2.2 Eligible sources"……., the MRET allows native forest biomass as an eligible fuel subject to this biomass being a harvest residue or processing waste, with further conditions around the harvesting operation. By contrast, native forest harvesting residue is excluded under the Victorian and New South Wales schemes."*

- Logging “waste” is essential to the wellbeing of soils and even genuine “waste” should not be burned for power generation.
- While the expansion of the Mandatory Renewable Energy Target to 20% is a potentially effective way to reduce Australia’s greenhouse gas emissions by increasing the use of renewable energy, an expansion founded upon simply redefining some old or highly polluting energy sources as “renewable” will not achieve real reductions in greenhouse emissions. Worse, it may actually add to greenhouse gas emissions by exacerbating levels of forest destruction.
- In NSW a standing live tree in a growing native forest can be classified as “waste.”
- Generations of politicians and forestry officials have stated over 40 years that the Eden woodchipping industry uses “waste” wood; that the “timber” industry of the south east is sawlog driven with residue, “heads” and “butts” being chipped. Forestry officials and politicians, including Ministers responsible for forestry continue to make this claim today. Thus past experience tells us that policy and industry development supposedly based upon the use of native forest “waste” in reality uses anything but waste.
- Even a cursory look at logs on trucks entering the Eden chipmill confirms that the so-called “waste” destined for chipping there is substantially whole logs, most of it from multi aged forests. See: “Half an hour at the Eden chipmill corner” http://www.youtube.com/watch?v=0vJuZya1X00 The chipper can only process whole logs; it cannot process branches, crowns or butts. That is, it cannot process waste, and yet, forestry authorities state that its feedstock is “waste.”
- Industrial use of forest “waste” means more trees will be cut. Native forest biomass generation, including sawmill waste has the potential to further devastate native forests.
    a. History tells us that whatever definition of waste is used, it will inevitably lead to additional logging. The Eden woodchipping industry was purportedly founded on “waste,” but lead to the removal and chipping of an extra million tonnes a year of wood.
    b. In the lead up to the proposed establishment of a charcoal and biomass plant at Mogo in 2002, thousands of trees destined to be processed as “waste” were poisoned or ringbarked by Forests NSW. The only factor that qualified these trees to be viewed as “waste” was their unsuitability to be sawlogs.
- Wood “waste” continues to store greenhouse gases for decades if left in the forest. As woodchips/ paper it has a likely life of about 3 years. When burned for power it becomes instant carbon dioxide.

Recommendations

- Short rotation plantations are not effective ways to sequester carbon dioxide. A far more effective strategy would be to protect native forests from the woodchipping industry.

- The woodchipping industry can end with minimal disruption to Australia's balance of payments since Australia has more than enough plantation hardwood available to substitute for all native forest chips produced. These plantations should be used; they attract higher prices and are preferred by paper manufacturers because of the quality of their fibre.
- I submit that it is in the interest of Australian and global efforts to avert climate change that Australia's native forests be protected from woodchipping. They are essential carbon sinks and Government policy must recognise this.
- Any proposals for alternative, but equally destructive uses of these forests must be rejected.
  Burning native forest wood for power generation is not sustainable and not renewable. Any electricity generated from biomass is only as "green" as its feedstock, and a power generation industry based on burning native forest trees should also be rejected as Government policy.
  If Australia is to use plantations as carbon sinks there should be strict requirements that these plantations have not replaced native forest and that they be required to remain in the ground for at least 150 years.