



Media Release

25 November 2009

Coalition delivers for forest industry on CPRS amendments

The National Association of Forest Industries is delighted with the outcome of negotiations between the coalition and the Government on forestry amendments to the CPRS.

A key amendment to the CPRS Fuel Credit Scheme now sees forestry on an equal footing with agriculture and fisheries activities. NAFI would particularly like to thank Senator Richard Colbeck, who listened to the industry's concerns and argued strongly for the amendments within the Coalition and got it on the negotiating table. His efforts, along with those of Hon. Ian McFarlane are greatly appreciated by the industry.

Obviously the final CPRS package was a negotiated outcome and we are pleased we had bipartisan support for this amendment. In this regard, we are appreciative of the efforts of Tony Burke, Minister for Agriculture, Fisheries and Forestry who championed this amendment within the Government.

This is an amendment for common sense and will save the average forestry contractor around \$14,000 a year.

Forestry is Australia's only carbon positive industry. In contrast to other industries, the more trees we grow and the more forest products we produce, the more carbon we store and the better it is for addressing climate change.

The original legislation excluded forestry from the CPRS fuel credit scheme which amounted to a tax on off road activities. This would have severely limited our industry's ability to help the economy move to a low emissions path. We estimate that if we get the right policies in place our industry could abate the equivalent of 20 percent of Australia's emissions target by 2020. This amendment is a step in the right direction.

With agriculture, Australia's second largest emitting sector being excluded from the CPRS, the forestry industry has an even greater role to play to help offset emissions from agriculture and other emitting sectors.

[ENDS]

Media contact: James Gray **0408 940 935** or **02 6285 3833** james.gray@nafi.com.au