



Media Release

Date 21 October 2009

Forest industry strongly supports Coalition forestry amendments on CPRS

The National Association of Forest Industries (NAFI) strongly supports the amendments being sought by the Federal Coalition on the Carbon Pollution Reduction Scheme (CPRS) fuel credit that would see the forest industry treated in the same way as the agricultural and fishing sectors.

The Coalition's forestry spokesperson, Senator Richard Colbeck, confirmed their support for the inclusion of forestry under the fuel credit scheme.

"These amendments are a common sense response to encouraging a renewable and carbon positive forestry industry in the transition of the Australian economy to a low carbon future" said NAFI CEO Allan Hansard.

The exclusion of forestry under the CPRS fuel credit Bill meant that the direct costs of any fuel price increases from the introduction of the CPRS would be directly passed on to industry 'off-road' activities, at an estimated average cost to each forestry contractor of \$14,000 per year.

"Many of these contractors are small family owned businesses and the impacts on these hard working Australians and flow-on effects to industry and local communities would be significant. This is a time we should be encouraging the contribution of forestry to Australia's emissions abatement effort rather than providing costly obstacles.

'Forestry is recognised as Australia's only carbon positive industry, and with the right legislative framework, will be able to contribute as much as 20 per cent of Australia's emission reduction targets by 2020. Forestry is a renewable resource that provides significant carbon abatement potential through the growing of trees, the carbon stored in wood products and the renewable, green energy produced from wood waste.

With the possibility of the agricultural sector, Australia's second largest emitting sector, being excluded from the CPRS there is an even greater need to ensure the full carbon positive potential of forestry activities are recognised. Providing the right incentives to incorporate trees and forestry activities within agricultural landscapes provides a way to offset the emissions from agricultural activities as well as emissions from other emitting sectors in our economy.

"However, the rule sets to be developed for forestry and agricultural offsets need to be practical, cost-effective and measurable to promote their uptake.

NAFI is urging all Members of Parliament to work together to ensure the significant environmental and economic opportunities that can be provided by Australia's renewable and sustainable forest industry are fully realised.

[ENDS]

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

Ph (02) 6285 3833 Fax: (02) 6285 3855 Internet: www.nafi.com.au