



Media Release

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Rudd takes a rear view mirror approach to renewable energy

“The draft *Renewable Energy (Electricity) Amendment Bill 2008* released today puts at risk \$300 million in direct investment in bioenergy projects as well as 760 future jobs at a time when Australia’s economy is desperately in need of investment and employment opportunities,” said Allan Hansard, CEO of the National Association of Forest Industries (NAFI).

“This Bill will severely limit the ability of the forest industry to provide positive climate change outcomes in the bioenergy sector and will have a negative impact on investment in renewable energy technology, innovation and infrastructure in Australia.

“The regulations potentially rule out the use of over 34% of Australia’s wood waste resources for bioenergy production that could reduce Australia’s greenhouse gas emissions by 1 million tonnes each year.

“The use of wood waste to generate carbon-neutral bioenergy has the potential to provide 7% of the Australian Government’s 2020 renewable energy target, however these regulations are flawed and unworkable.

“Without the contribution of wood waste for bioenergy production the Australian Government will not be able to meet its Renewable Energy Target.

“Australia already lags behind the rest of the world in terms of using renewable wood waste for energy generation. The regulations, as proposed in the draft Bill, will further restrict investment and job creation opportunities in the Australian bioenergy sector, particularly in rural and regional Australia at a time when we should be promoting renewable, carbon positive, employment generating activities.

“These regulations have detrimental triple bottom line – economic, social and environmental – impacts for Australia.

“It is hard to fathom why the Australian Government is taking a forward looking view on the CPRS yet taking a rear view mirror approach on the use of renewable wood waste for electricity generation.

“NAFI will be working with the Australian Government to ensure the final Bill is forward looking and practical,” Mr Hansard said.

The following table demonstrates how Australia compares with other countries on the use of biomass electricity production.

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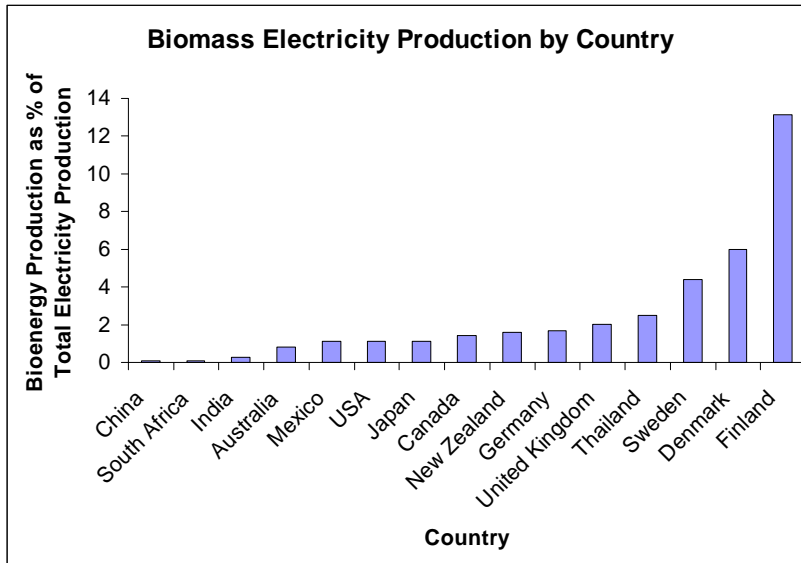


Figure 1: Biomass electricity production by country (Data sourced from the International Energy Agency, www.iea.org).

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