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Waste Generation and Resource Efficiency
Productivity Commission
Locked Bag 2, Collins St East
MELBOURNE VIC 8003

RE: Submission to Inquiry

Please find the attached Plantations North East position on Recycling and End of Life Disposal of Timber.

Plantations North East (PNE) is the Private Forestry Development Committee for the North East region of Victoria. PNE works with private forest growers, industry, local councils, state and Australian governments to expand the area of plantations in the region, leading to

- Increased local and regional investment and employment opportunities in an agricultural sector that is fully sustainable.
- Increased timber processing opportunities in the region, and import replacement.
- Implementation of state government policies to reduce harvesting of forest products from native forests by replacing that public land source of supply for products such as firewood from local private plantings.
- Expansion of the area of vegetation cover on areas where past overclearing for grazing and other traditional agricultural pursuits has led to environmental degradation problems such as salinity, sodicity, water table changes and a major loss of habitat for flora and fauna.

I am the Executive Officer of PNE, and represent the committee. My background includes:

- more than 20 years experience in natural resource management, including specializing in plantation planning and management in the NE region.
- seven years as regional manager for state agencies supporting new investment, business and community development, in the NE region.

Plantations on private land across the whole North East region occupy 62,500 hectares, around 5% of the suitable cleared private land. In the NE region overall plantation areas represent just 5% of the area of cleared agricultural land in the region, and from this small land base the regional output value of nearly \$280M per annum is derived. This makes the timber industry the second or third highest agribusiness earner in the NE region.

Plantations harvested in the region produce at least 1 million tonnes of logs annually. These are generally supplied to regional processors that produce fibre based products such as newsprint, and fibreboards: MDF and particleboard, sawn timber and plywood. Most processors fully utilise their waste on site to provide heat and steam for their processing operations, or their larger waste streams are sold on to other processors, for example chip sawlog processing waste forms part of the supply stream for the fibre processors.

The products mentioned are then obviously further processed in the region by builders and cabinet and furniture makers and other tertiary processors. Their products generally are used in households. The waste from these producers often ends up in regional waste facilities, and some of the waste stream is used as firewood.

Of course at the end of their service life, newsprint and wood products from households are generally disposed of through the current waste collection systems. Again, some households would use some of the solid wood as firewood.

PNE is interested in the current life cycle analysis investigations into the fate of carbon and therefore waste that is generated from plantations. It is difficult to estimate the amount of wood waste that ultimately derives from the annual harvest of 1 million tonnes of plantation log, plus at least 100,000 tonnes of logs from native forests. A best guess would be about 55,000 tonnes. There is a need to more closely study the fate of solid wood wastes, and the timber industry is supporting this as part of the full life cycle analysis of the capture and storage of carbon.

Data from users of the sawn timber produced in the region from the log supplies suggest that at least 10% of the input sawn material becomes waste. However, most of this waste can be chipped and sold to panel processors in the region.

Smaller operations will sell or give away some as firewood, and the rest is transported to landfill, at a considerable cost: typically \$25 per cubic metre in a regional centre.

The waste from processing sawn wood would be dispersed over many towns and cities in the region. For individual companies however, the cost of disposal to landfill sites is already significant and is likely to continue to rise rapidly.

PNE is aware that there are companies looking at the potential for this material and other green carbon waste products to be converted to biofuels. An example is the company Bioenergy Limited.

From the estimates above, the waste wood resource alone across the region would not be sufficient or concentrated in any one location for a biofuel plant run solely on solid waste wood. The addition of green waste at a regional centre may support a biofuel plant at a landfill.

PNE therefore supports Draft Findings 4.2 and 8.4 and Draft Recommendation 8.3.

PNE also supports the points made in the Timber Queensland submission, as these initiatives for more efficient processing and recovery of wood wastes and conversion to other wood products are already evident in flow of wood wastes in the NE region.

PNE has sponsored studies to estimate the demand in the region for firewood for home heating purposes. The estimated usage is 60,000 tonnes. Most of this wood has been traditionally sourced from nearby public native forests. PNE is also aware there has been a cooperative project involving state natural resource management agencies and local government to provide local deposit sites for green solid wood waste to be used by local residents as replacement firewood fuel, reducing the demand in these areas for firewood from native forests.

These initiatives point to a new policy direction: *local disposal of locally generated wastes*, requiring small scale plants (incinerators plus heat/power converters. That will overcome the prohibitive costs of cartage of a low value product to regional landfill centres.

Should you have further queries on this submission, please contact me on (03) 5721 2859.

Yours sincerely,

Bernard Young

Executive Officer