

Uncertainty slows forestry investment

From: The Border Watch December 29, 2010

A peak forestry body formed by Minister for Forests Michael O'Brien has stated in a recent report that the uncertainty surrounding the proposed forward sale of ForestrySA pine plantations poses a threat and is "destabilising" the industry.

The draft Forest Industry Development Board strategy — which proposes to increase infrastructure investment and expand plantations in the South East — listed the potential sale under a list of threats to the industry.

"The potential forward sale of ForestrySA's plantations is destabilising current industry," the report states.

Acting board chair John Fargher said the group was not offering an opinion on whether the sale should proceed, but rather stating that ambiguous details were causing investors "to hold back".

"We are not commenting on whether the decision to forward-sell plantations is good or not, but rather about the uncertainty of what the proposal means," he said.

"This is causing investors to wait and see."

The independent board advises Mr O'Brien and engages with industry, private growers and the public sector.

The report also highlights the "multiple benefits" provided by the state forest reserves.

The document is open for public comment until February 14 and Mr O'Brien encouraged interested people to comment during the consultation period.

Increasing infrastructure investment and expanding plantation areas are considered vital for the future, Mr Fargher said.

"The opportunity to expand the area down there is clearly very important and that presents new opportunities for processing, as well as the new industry, like bio-energy and carbon markets," he said.

Union calls on Foley to come clean on forestry sales

19 December 2010

The CFMEU has called on State Treasurer Kevin Foley to come clean regarding the proposed sale of state owned forestry rotations.

Brad Coates from the CFMEU says the Government needs to be more open and honest with the taxpayers of Australia as to what is planned for the forest industry in the state.

Mr Coates said he was concerned about recent information attributed to Forestry SA that any proposed sale would not include the Mount Lofty Forest Reserve.

“The Forestry SA Board indicated in its last annual report that it was looking for an exit strategy from the Mount Lofty Ranges on social and environmental grounds.

This smells like electoral favouritism as the Mount Lofty region is close to Adelaide and the sale issue may alienate metropolitan voters.

Once again the Government is treating the community with disdain and arrogance, as it continues to push ahead with the proposed sale without releasing key information as to how the sale will proceed and what are the details of the proposal.

So far the consultation has consisted of civic leaders in the southeast region meeting with Minister O’Brien and then forcing a meeting with treasurer Kevin Foley following the public rally in Adelaide” Mr Coates said.

Mr Coates said it was all well and good for the Government to release plans for the new Royal Adelaide Hospital, but planning and details of the proposal to sell up to three rotations of the States Forest Reserve were deliberately being withheld from the public for reasons known only to the Treasurer.

Mr Coates said that until the Government comes clean and provides details of the sale, the campaign to stop the sale would continue in earnest and as each day goes by and answers are not forthcoming from the Government, public pressure will increase.

Builders call for timber guarantee

The Border Watch December 9, 2010, 8:08am

Australia’s peak residential housing industry body has expressed concern about the potential impact on the building sector of the State Government’s plans to forward sell ForestrySA plantations.

Housing Industry Association SA director Robert Harding has sent a letter to Treasurer Kevin Foley urging the government to guarantee conditions are built into the sale which protect the supply of logs to local sawmills and manufactured wood to the housing construction sector.

“Until we see the terms of the sale’s contract, the concerns will remain — it is very important that governance of the supply to the building sector is built into the sale,” he said.

“This is not unusual as it was done when Victoria and New South Wales made a similar sale and in both cases conditions were put in place to protect the industry, but the problem is that such conditions will lower the purchasing price.”

Mr Harding said in the scenario that the sale proceeded unconditionally, the government would run the risk of sending the industry back into the “lop-sided” state the market was in during 2004 to 2006, which led to wood products rising to “unaffordable” prices.

“During these years New South Wales and Queensland did not have enough wood to supply their housing construction boom’s demand,” he said.

“The shortage in logs led to their price soaring, which fed onto the construction sector, which made building a house more expensive.”

An unprecedented influx of migrants and higher birth rates are fuelling hopes for dramatic population growth and subsequently a sizeable housing construction boom, Mr Harding said.

Forests Minister Michael O'Brien told The Border Watch in October that this was the underpinning reason he believed that logs harvested in coming years would stay in Australia, however Mr Harding said it was dangerous to rely solely on market forces.

"The market can be lucrative and it is dangerous to rely on it to make such assurances," he said.

"We will be more compelled to see that those preventative measures that protect the industry are written into any contracts under which log harvests are forward sold."

Mr Harding said regardless of the government's final decision, Australian wood manufacturers urgently needed to become increasingly more efficient to stave off overseas competition domestically.

"One of the biggest dangers we face with the housing boom to come will be that the supply will shift to those overseas suppliers who manufacture flat-pack constructions at heavily reduced prices," he said.

Meanwhile, Mr Harding said a "genuine" regional impact statement was the most important factor in the sale deliberations.

"I can talk about it from a building industry perspective, however I think there is more to it than that — we need to know the effects it will have on the community built around it," he said.

Forests sale fight 'not going away'

ABC News December 13th, 2010.

The campaign to prevent the South Australian Government's forward sale of south-east forests heads to Wattle Range tonight.

The Member for MacKillop, Mitch Williams, will be among the guest speakers at a public meeting being held at the Millicent Community Club.

Wattle Range Mayor Peter Gandolfi says it is important to keep the momentum strong in the lead-up to another rally in Adelaide in February.

"We're very much close to the Christmas season of course, so we want to keep this issue on the boil right up to Christmas and then straight after Christmas - after the festive season - we'll continue our campaign," he said.

"We want the Government to know that it's not going to go away just for the fact that we've had a Christmas break."

Forestry protest draws large crowd

By Daniel Wills, Lyndal Redman From: Adelaide Now November 24, 2010

LABOR'S leadership duo has snubbed an invitation to address a protest against their forestry privatisation policy.

South East residents today arrived at Parliament House after leading a convoy of logging trucks along the South Eastern Freeway and major city streets this morning.

The rally was attended by around 1000 people and broadcast live on Adelaide Now at noon.

Construction, Forestry, Mining and Energy Union spokesman Brad Coates accused the Government of selling off wood rights to make a "quick buck".

He said the strong attendance at the rally showed city people were banding together with South East residents.

Mr Coates said the Government had reneged on a post-election promise to reconnect and listen to the community.

He said he had written to the Government requesting Premier Mike Rann and Treasurer Kevin Foley attend the protest to defend their Budget.

"Mr Rann sent us a letter a couple of days ago saying he couldn't be here," Mr Coates said from the steps of Parliament House on North Tce.

"Back in March, after the election, he (Mr Rann) said 'I'm going to listen to the people'. We'll there's a bloody good opportunity right here and right now to come out of his comfortable office and listen to what we've got to say.

"This is a perfect opportunity to meet some real people instead of spin doctors and those boffins in Treasury."

Mr Coates said protesters would return to Parliament in a fresh show of force unless they got answers.

"We'll block North Tce off with trucks. We'll get locked up. We'll cause civil disobedience if that's what we have to do," he said.

The rally was also attended by Public Service Association general secretary Jan McMahon and members of the Opposition, including leader Isobel Redmond.

It comes as Mr Foley and Mr Rann prepare for what is expected to be a fiery Labor state convention where they will face calls for generational change and reversing controversial Budget cuts.

Formal motions will also call on the Government to abandon its plans for the South East sale.

Wattle Range Mayor Peter Gandolfini said the sale must be stopped as the industry accounted for 40 per cent of the region's economy.

"This Government's decision is going to hurt everyone in the South East," he said.

"It will put timber mills out of business and then there will be a flow-on effect for businesses from car dealers to hairdressers.

"Our social clubs and our sporting clubs are all going to suffer."

Earlier, motorists on one of the state's major freeways tooted and waved in support as a convoy of more than 30 logging trucks from the state's South East makes its way to Parliament House.

Despite predictions of traffic chaos, flows on the freeway were largely unaffected as the convoy moved at a slow pace.

The convoy attracted cheers and honks from other motorists in reaction to large banners calling for the privatisation plans to be abandoned.

The State Government has flagged it will sell off timber harvesting rights in the South East, which has caused outrage among towns reliant on the industry.

The Government has stated no decision will be made on the sale until a comprehensive consultation process and regional impact statement is completed.

The convoy travelled along Glen Osmond Rd, Fullarton Rd, Dequittville Tce, Hackney Rd, Robe Tce, Fitzroy Tce, Park St and Port Road.

Mount Gambier Mayor Steve Perryman said the forest industry employed around 5000 South East residents.

Any sale would have significant and irreversible consequences, he said.

Mr Perryman ran for the Liberals in the March state election in the seat of Mount Gambier and was defeated by independent Don Pegler.

Mr Perryman said the forestry issue had united the South East and more than 3000 residents had signed an anti-privatisation petition to be tabled in Parliament.

"By remaining united and committed, we can succeed," he said.

Protestors rally on State Parliament steps

The Border Watch November 29, 2010,

Rain pelted down on more than 1000 protestors in Adelaide yesterday as they shouted their opposition "loud and proud" against the forward sale of ForestrySA forest rotations.

The rare occasion of union members, political parties and both rural and Adelaide residents banding together transpired on the steps of State Parliament last week.

Many dedicated South East community members rose early to catch a convoy of buses at 6am in Mount Gambier and travelled an almost 1000km round trip to represent the region, along with 45 booming log trucks, who honked their way onto North Terrace to be welcomed by an impassioned crowd.

Upon arrival, a sea of participants were organised on the Torrens Parade Ground and rehearsed slogans before embarking on a historic march down King William Street and onto the steps of parliament.

Protestors booed the lack of presence by the State Government while being addressed by local leaders, including a booming speech by local Independent parliamentarian Don Pegler.

“Union leaders, party members and businesses stand shoulder to shoulder today to ensure that the future of the South East is not compromised,” he said.

Slogans like “2, 4, 6, 8 let’s ex-Foley-ate” and “we are angry, we are loud, we are from the South East and we are proud” rang from the masses.

Mr Pegler also warned the government that there would be further rallies of a similar nature, however with more people and trucks.

“We all know this is a bad idea, but they need to go and get their consultants to tell us,” he said.

“If they do not make decisions in our interests than we will continue to fight.”

Karyn Forster, whose family have invested in the timber industry for 24 years, also spoke with the symbolic presence of her daughter by her side.

“The forward sale of ForestrySA pines worries me for my business and my employees, but I don’t want to talk about that as, unlike Mr Foley and his cash-grabbing counterparts, I can see job losses, mill closures, house prices falling and more young people leaving our South East,” she said.

“I can see social problems which go hand in hand with this decision.”

Ms Forster spoke out on behalf of other regional communities battling similar issues.

“I can see a government that treats the bush with contempt – constantly ripping out the guts of small communities,” she said.

“Small schools, public services, Keith hospital – consultation none.

“In touch with the community – never.

“But those people from the bush aren’t going to take it.”

Family First parliamentarian Robert Brokenshire reiterated these sentiments, while opposition leader Isobel Redmond and deputy leader Mitch Williams stated the sale was not about balancing the budget, but meeting blown out government expenditure.

“If they get to sell their forests they will not build a \$500m football stadium in Mount Gambier,” Mr Williams said.

Grant District mayor Richard Sage and City of Mount Gambier mayor Steve Perryman – the main facilitators behind organising the day – made final comments before forestry union representative Travis Lawson led the crowd in further chants, which went on for more than another two hours.

Treasurer Kevin Foley and Forests Minister Michael O'Brien approached the three mayors during the rally and requested a meeting directly after parliament question time.

Forestry protest halts Adelaide

By Tim Gerritsen ABC News 24 November, 2010

It began with a convoy of trucks weaving through Adelaide, continued with a rally on North Terrace and ended with a fight between Government Ministers on the floor of State Parliament.

One of the aims of the forestry protest rally was to get Adelaide people talking about the plans to forward sell the State's forests. And from that aspect it worked.

Reports of a convoy of 30 logging trucks driving through the state capital during peak hour had metropolitan media outlets talking all morning.

As the trucks moved around the city's eastern edge, they then moved past the State Parliament building on North Terrace sounding their horns in front of about 800 South East residents gathered on the steps.

Holding placards and chanting, the union members, employers, employees and community members stood side by side, calling for the State Government to abolish its plans to forward sell more than 100 years of forest plantation logs.

The protest went ahead despite government assurances the sale would not proceed if a consultant's report looking at the benefits and costs of the sale, showed a negative impact to the Limestone Coast. The Treasurer Kevin Foley denies the sale will cost jobs.

Mr Foley says the sale is required to ensure that state's budget remains on track, but Member for Mount Gambier Don Pegler refutes that.

"That's a heap of rubbish and I think all they really want to sell it for is so that they can build more edifices up here such as a football stadium, the roads and just pull money out of the South East and spend it here in Adelaide," Mr Pegler says.

Members of the Liberal Party address the rally, but no-one from the Labor Government jumped behind the microphone.

"I saw one or two out in the crowd but nobody from the government was going to stand up here. They're basically on a flogging to nothing I suppose so they're not going to stand up here and get a whipping I suppose," says Mr Pegler.

Family First MLC Robert Brokenshire says there's a strong feeling against the Government in Regional South Australia at the moment and he believes the forestry sale should be stopped, warning the government of further protests.

"It's the wrong decision and we want Mr Foley and Mr Rann to finalise this right now," Mr Brokenshire told the crowd.

"We will block Adelaide if you don't start to look after our long term welfare, not your re-election.

"Those of us that live in the country are part of South Australia, but this government is city-centric.

"We will flood Adelaide with trucks, tractors and people from the country and the city, listen to our voice Mr Rann."

Mount Gambier Mayor Steve Perryman told reporters that he believes the Government has woken a sleeping giant.

"We're a very patient group of people in the South East, we've learned to live with a lack of respect from our government," he said.

"We've learned to live with no attention from our government.

"But when they come and stick their nose into our business, that makes us angry and we'll be back as many times as it takes to reverse this decision."

While the steps of State Parliament were full of colour and movement, the chamber was also full of action, with Labor Ministers engaging in a stoush over the forestry forward sale issue.'

Treasurer Kevin Foley told Parliament that Forestry Minister Michael O'Brien had disclosed information at a meeting in Mount Gambier, which caused undue anxiety within the South East community.

But Mr O'Brien later disputed the point.

"If you look at the transcript if you look at the transcript and this proposition that somehow me going down there and actually taking people into my confidence has created a level of angst that wasn't there prior to me going is a bloody nonsense," the Minister told Parliament.

The State Opposition said the clash shows a government at war.

State Parliament will sit again in February, while it's expected work will begin soon on the regional impact statement examining the impact of the forestry forward sale on the South East Community.

Convoy ready for Adelaide protest

The Border Watch November 24, 2010.

A CONVOY of over 30 log trucks and support industry vehicles will hold up traffic in Adelaide today as they rumble into town along with an expected 1000 South East protestors.

The heavily-laden vehicles will wind their way through city streets during peak hour traffic towards Parliament House to join protesters at the rally to protest against the "forward sale" of ForestrySA plantation harvest rights.

Mayor Steve Perryman said it was vital the message carried by the protest was potent and demanded the attention of Adelaide.

"Rallying in Mount Gambier is simply preaching to the converted, so we're taking our fight direct to the Adelaide-based decision-makers," he said.

“The call is now out for Adelaide to get behind its ‘country cousins’ – in addition to boosting the state’s economy, the South East timber industry supports everything from housing construction to household toilet paper.”

While the total in petition signatures soared over the weekend to 3000, Mount Gambier business leaders once again urged other businesses to allow staff time off to attend the rally.

Herbert Real Estate manager David Herbert – who has adorned his office window with a sign that reads ‘Sell Foley, not the forests’ – said that it did not matter how the government approached the sale, it made “bad business sense”.

“When you are leasing out any property or asset to a commercial company then any agent would be mad to lease it out on a contract for more than 30 years – this government is talking about 100 years,” he said.

“Also, in any business you can’t determine the value of an asset today for what it would be worth in 100 years – you are simply cutting off a source of revenue for the state.”

John Braithwaite of furniture store Braithwaites Leather Studio said he understood strong fears in the industry that a private buyer would sell the wood overseas for processing.

“I deal with Chinese manufacturers and I have seen the piles of Australian and New Zealand wood being used in their factories and it is only growing,” he said.

“This will steal from the value-adding in the area and in the long-term this area will gradually shrink as you have taken out its main source of life.”

Meanwhile, former State Secretary of the CFMEU Forestry Division Paul Martinella has called on Adelaide residents to support today’s protest.

“I urge all South Australians to rally behind our country folks and let your local member of parliament know that you do not support this,” he said.

Questions were also asked over the weekend when Forests Minister Michael O’Brien was “mysteriously” absent from two events in Mount Gambier and Port MacDonnell, which he was expected to attend.

Mr Perryman said his “no show” indicated that the State Government was feeling the pressure.

“They might be able to avoid coming to the South East, but they won’t stop us from coming to the steps of the State Parliament to protest this horrendous decision,” he said.

“The question is will the Premier, State Treasurer or Minister O’Brien have the decency or the nerve to front up to the people of the South East?”

Log trucks to head up timber sell-off protest

ABC South East News 23 November 2010

Adelaide motorists can expect delays during morning peak-hour tomorrow, with a convoy of 30 log trucks expected from south-east South Australia.

The trucks are the latest ploy by south-east campaigners to make Adelaide people aware that the state's timber asset is being sold to private investors.

There are fears the move will create mass job losses in the south-east's timber industry.

Many local businesses in the south-east have given their workers time off to travel to Adelaide for the protest.

Mount Gambier Mayor Steve Perryman says he is expecting 1,000 people to join the trucks.

"My understanding is that there's a range of trucks. This has been organised by people in the industry who strongly support the campaign to stop the privatisation of South Australia's forests and they were very keen to participate and help make a strong statement," he said.

The Mount Gambier Chamber of Commerce says a number of local businesses are displaying anti sell-off material.

Chamber president Lynette Martin says any job losses in the timber industry would also hit other sectors in the south-east.

"The chamber of commerce is urging business owners to get behind the campaign," she said.

Hundreds prepare for journey to Adelaide rally

The Border Watch November 22, 2010.

SLAP on a T-shirt, paint the town green and get on the "South East's family trip to Adelaide" – these are the battle cries for the region's campaign to Save the Forests as preparations step up for what is set to be a historic rally.

With over four bus-loads of people already registered, and hundreds more planning to leave in cars at 6am this Wednesday, the three mayors continue to urge the community to get on board the campaign against the forward sale of ForestrySA plantations.

Meanwhile, more than 1000 South East residents have shown their support by signing the "Don't Privatise SA Forests" petition.

Mount Gambier's Chamber of Commerce has also called on all Mount Gambier businesses to show unity in the city by adorning their premises in green.

"Whether you are members of the chamber or not, to place signage in windows, banners, balloons, etcetera, will show our city's opposition to this most unacceptable decision," president Lynette Martin said.

At last week's launch of the campaign T-shirts, new Wattle Range mayor Peter Gandolfi stressed the gravity of the threat that would be faced by the region if the sale was to go ahead.

"About 40pc of our local economy will be at risk," he said.

"Make no mistake – jobs will be lost and we need to take a strong message to Adelaide."

The T-shirts will be handed out free to those who make the trip to Adelaide and are available at Mount Gambier's council offices for those not taking the bus.

Mayor Richard Sage said residents of all three councils should take the rare step to join with their neighbours and consider it "a family trip to Adelaide", while emphasising the need for young people to also join the campaign.

"Everybody should get on those buses and that includes the young people of the region," he said.

"This is your future and your home on the line and you should make a concerted effort to own that and not let anybody take it from you."

Mayor Steve Perryman's message was directed at treasurer Kevin Foley.

"You don't need to be a qualified analyst to predict the type of impact a sale would have on this region – if the logs are bought by an overseas company, what's stopping the new owners from processing them in overseas mills, rather than South Australian ones?" he said.

Those interested in registering for a free seat on the convoy of buses bound for Adelaide or further information regarding how else they can assist in the campaign are urged to visit the website – www.dontprivatisesaforests.com.au.

Treasury forestry claims disputed

The Border Watch November 22, 2010.

FORESTRYSA has been consulted very little – if at all – about the forward sale of pine plantations, despite assurances to the contrary in parliament by Treasurer Kevin Foley.

Mr Foley assured parliament last week that the government had engaged in a "thorough and considered" initial consultation since 2008, which had included the board of ForestrySA.

However, ForestrySA chairman John Ross said the board had not been consulted for advice regarding the model to be used by the sale if it proceeded and the lack of information provided had caused uncertainty.

"Treasury has met with the board on two occasions, yet this has been more a case of obtaining information on contracts and such," he said.

"We have been given no detail on how it would operate and have been told to carry on business as usual."

Mr Ross said questions over the future of ForestrySA plantations was causing uncertainty amongst employees.

"They know that some sort of change is in the air, yet they don't know where it will go," he said.

"Without knowing the possible model to go ahead there is an understandable amount of uncertainty in the board – our greatest concern is that we don't know what one, two or three rotations would mean – they haven't asked us for a definitive model, but I imagine once they develop a model they will test it in the market first."

Mr Ross said he believed the planned rally on Wednesday was a legitimate political action and would assist in bringing the debate "to a head".

"I have a feeling there is a bit of pain felt by the government at the moment and with the added pressure they will try and clear the air," he said.

"If there are enough people at the rally it will have an effect."

Minister Michael O'Brien may be censured after candid admissions

GREG KELTON From: The Advertiser November 16, 2010.

AGRICULTURE Minister Michael O'Brien dropped a political bombshell by claiming the Government is borrowing money to pay wages.

Mr O'Brien also said he was not consulted about the decision to sell SA forests and the days of anti-privatisation are over.

Cabinet is likely to censure Mr O'Brien for a series of controversial comments at a meeting in Mt Gambier.

"We are actually having to borrow to pay wages," he said. "Now that is unsustainable in the long term."

His comments, which have angered senior levels of the Government, are contained in a 26-page transcript of the meeting with South-East local government, forestry, union and community representatives on October 20.

He also said he was not consulted on the proposed sale of harvesting rights and now was not the right time to sell.

Senior Labor sources said they were "surprised at the amount of information Mr O'Brien chose to comment on well outside his brief". Family First MP Robert Brokenshire, who was given a copy of the transcript prepared by a local government official in Mt Gambier, said Mr O'Brien's comments "beggar belief".

"They are stunning comments and it just raises questions about the Government's capability as economic managers," he said.

On the harvesting rights which have sparked widespread community opposition in the South-East, Mr O'Brien said it was a really bad time to sell.

"The challenge that I have got is that the decision has been made and I have to implement it," he said. "We can argue whether it's a good one or a bad one but the decision has been made."

Mr O'Brien also said he had no involvement in reviewing the proposal to sell the assets.

"This process has been run by the Bank of Scotland and by Treasury and Finance," he said. "We didn't consult widely. My views weren't sought."

Mt Gambier Mayor Steve Perryman has urged South-East residents opposed to the privatisation of state forests to join in a protest on the steps of Parliament House on Wednesday, November 24.

Treasurer Kevin Foley said Mr O'Brien's comments on borrowings reflected the reality of the state's Budget position where the global financial crisis meant the Government had to borrow to service both wages and capital expenditure.

"That's necessitated some tough decisions," he said.

Borrowing to pay wages 'old news': Foley

ABC News 16 November 2010

Treasurer Kevin Foley says it is not news that SA is borrowing to pay wages (7pm TV News SA)

South Australian Treasurer Kevin Foley says the state budget is running operating deficits, including to pay wages.

Mr Foley said the information was already in the public domain in budget documents.

"I brought a budget down where it's in the budget that we are running operating deficits. Operating deficits pay for goods and services, servicing capital and wages - it was there in the budget," he said.

"I have been up-front about it."

The issue of borrowing to pay wages arose when Forestry Minister Michael O'Brien faced a meeting at Mount Gambier about a planned forward sale of SA timber assets.

SA Deputy Opposition Leader Mitch Williams said Mr O'Brien's comments put the state's finances in a new light.

"Michael O'Brien obviously won't be rewarded for his honesty and frankness. He's probably done South Australia a favour by exposing this lie that the finances are under control," he said.

Mr Foley rejected any suggestion the state was in financial strife.

"Our triple-A credit rating has been reaffirmed," he said.

Mr Foley said state debt had been eliminated before the global financial crisis hit but he was now dealing with the effects of that crisis and the hit to GST revenue flowing to SA.

Regarding Mr O'Brien's public comments about the state's finances, Mr Foley pointed out that Mr O'Brien was not the minister at the time the decision was taken to sell forest assets.

"He's only become the Agriculture Minister since the last state election," he said.

I want to sell: Kevin Foley

The Border Watch November 15, 2010.

TREASURER Kevin Foley has told The Border Watch that he wanted to forward sell ForestySA plantation harvest rights, despite community outcry in the South East over fears the sale would jeopardise the region's vital forestry industry.

“It is my belief and my Treasury Department’s belief that the sale is a good decision,” he said in a 5pm interview after parliament.

“I want the sale to go ahead — I wouldn’t have announced the sale and initiated an investigation if I didn’t want it.”

However, he also made it clear in parliament through a ministerial statement that no further decision would be made until a Regional Impact Statement (RIS) was submitted to cabinet.

“We have met with ForestrySA’s Board, key customers and harvesting contractors to gain a better understanding of the forestry business,” he said.

“As a result of this initial consultation, I believe the decision to investigate the sale of the forward harvests is now ready to progress to the next stage.”

Statements from the government on the matter have been confusing, with Mr Foley confirming in parliament three weeks ago that Forests Minister Michael O’Brien’s statements in a stakeholder meeting held in Mount Gambier had been correct — the decision to sell the pines had been made.

But in the interview, Mr Foley set out to clarify the government’s intentions.

“The decision has not been made — we are in no position to make it and if I have a body of work which indicates it does not prove value for money for taxpayers, then the sale will simply not go ahead,” he said.

Mr Foley told The Border Watch he did not know why Mr O’Brien had made contradictory statements during his visit to Mount Gambier.

“But he was not the minister that made the decision,” he said.

He then defended Mr O’Brien.

“He did not say anything wrong,” Mr Foley said.

“A lot has changed in two years and we need to assess that — I want to sell the asset, however if it is not in the taxpayers’ interest or (the RIS) shows that it will have a significant negative impact on the regional community, then we will base our decision on that.”

Mr Foley said he was hopeful the investigation would prove him right in his decision and that selling ForestrySA plantations would have a positive impact for both the state and the South East.

“I hope the body of work will allay the fears held in the community,” he said.

Mr Foley said the government would shortly engage a prominent external consultant with specific expertise in the industry to examine the risks and benefits of the sale.

“The consultation process will include discussions with stakeholders including the local Members of Parliament, local councils, timber industry representatives, key unions, chambers of commerce and others,” he said.

"I expect the consultant to deliver their report to us by the end of the first quarter next year and then shortly after I will take a recommendation to Cabinet for a final decision about a sale."

However, his assurances failed to convince local stakeholders and leaders, instead adding to uncertainty, according to Mount Gambier mayor Steve Perryman.

"We can save everybody a whole lot of time and effort— the forward sale in any shape or form will not be good for the South East," he said.

"We are in outright opposition to one, two or three rotations and we do not want the forward sale."

Mr Perryman said Mr Foley's statement only confirmed the government's unerring commitment to the sale.

"This consultation will only lead to a sale," he said.

Forestry Union representative Brad Coates said he was disappointed government leaders continued to contradict themselves and referred to Mr Foley's announcement as mere "lip service".

"We want to know who is telling the truth — they are insulting the major stakeholders by giving us this lip service," he said.

"And it was pretty bloody obvious that their initial consultations that they say they have done here didn't provide much worth — obviously Minister O'Brien was clueless about the decision, about the industry, and about what affect this could have when he came down for the meeting."

Independent Member for Mount Gambier Don Pegler said he believed the treasurer had now indicated a clear picture of where the government stood.

"Now we have the assurances that no decision will be made without a clear proper process of consultation and they have also assured us that if it doesn't stack up then it will not proceed," he said.

Treasurer Foley commended Mr Pegler for bringing a clear resolution from the region to the State Government.

"Don Pegler has been rock solid in representing the region," he said.

Residents urged to get on board with forestry fight

The Border Watch November 11, 2010.

South East residents are being urged to hop on board buses destined for Adelaide to deliver the "Fight for our Forests" campaign to the steps of State Parliament in coming weeks.

A convoy of buses funded by campaign contributions will take protesters to the steps of Parliament House on Wednesday, November 24.

Mount Gambier Mayor Steve Perryman has encouraged the public to book free seats on the buses by logging on to the new campaign website.

"We're hoping that as many people as possible take advantage of this service as it's critical that we deliver our message directly to the Adelaide-based decision makers," Mr Perryman said.

The complimentary buses will leave Vansittart Park at 6am on the Wednesday and are expected to depart Parliament House at around 3.30pm for the return trip to Mount Gambier.

Forestry Union representative Brad Coates urged shops and schools to shut down for the day to ensure maximum attendance at the rally.

Meanwhile, the drive is on to collect thousands of signatures from citizens who oppose the forward sale.

Petitions were placed yesterday at Mount Gambier's civic centre, public library, the office of Independent Member for Mount Gambier Don Pegler and Chapmans Newsagency.

Mr Perryman will take the signed petitions to Adelaide on rally day and hand-deliver the document to Mr Pegler, ready for tabling in parliament the day after the protest.

"To get 600 passionate people to a meeting at such short notice last week is indicative of the level of opposition that is out there, so the more people we can get to sign the petitions and travel to Adelaide, the louder our voice will be," Mr Perryman said.

Residents are urged to visit and register on the campaign's website www.dontprivatisesaforests.com.au.

Fighting fund increases

The Border Watch November 11, 2010.

The funding pool for the campaign to stop the forward sale of ForestrySA plantations continues to grow, with Wattle Range Council matching the \$50,000 pledges of neighbouring Local Government bodies.

The council also planned at a meeting on Tuesday night to band together the town of Millicent at a public meeting next week.

Mayor Mark Braes, who faced his last council meeting this week prior to election results that will dictate his fate in the position, said the support for the cause from councillors was unanimous.

"There was massive concern demonstrated for what impact the decision of the State Government will have on the region," he said.

Mr Braes said the public meeting would provide an opportunity to reach another sector of the community that would be affected.

"The public meeting will give us a chance to hear from a different set of people," he said.

He said the decision to forward sell the forest harvest rights sent out a strange message at a time when rural Australia possessed more clout than ever before.

"The federal election has handed rural Australia a once in a lifetime opportunity through the independents and access to funds, while at the same time the State Government is saying they are going to walk away from this asset that could be grown," he said.

"I think all of South Australia understands the need to have sustained development away from Adelaide — this asset is definitely worth fighting for."

Consultant to tackle timber forward sale plan

ABC News November 12, 2010.

Treasurer Kevin Foley says an external consultant will be appointed to look at the proposed forward sale of South Australian forestry assets.

The State Government has proposed a forward sale of three rotations of plantation forests to help bolster the state budget bottom line.

There has been strong opposition to the plan in the south-east, where most of the state-owned plantations are.

Mr Foley said key industry stakeholders will be consulted by the external appointee.

"I can announce ... a prominent external consultant with specific expertise in this area to undertake a detailed examination of the risks and benefits of the sale process and the options available to deliver the best outcome for taxpayers," Mr Foley told State Parliament.

Opposition forestry spokesman Adrian Pederick says the appointment of an external consultant would not lessen the impact of any forward sale on the south-east community.

"Here they are talking about spending money - if they talk to the right people in the south-east themselves, talk to the mayors, talk to the industry people, you don't need an industry consultant," he said.

"I can't see how you're going to get the value out of this by forward selling when it's a making an eight to 10 per cent return to Treasury as an entity."

Website to highlight timber sale rally

10 November 2010 The Border Watch

A website will be set up to help promote the November 24 rally against the forward sale of Forestry SA timber plantations.

The south-east South Australian timber industry is worried there could be mass job losses if 100 years worth of forests are sold to private investors and then shipped overseas for processing.

Mount Gambier Mayor Steve Perryman says the website should be up and running within the next 24 hours.

Community rallies to stop forestry sale

The Border Watch - November 8, 2010.

While industry experts and local leaders have dominated the dialogue surrounding the forward sale of ForestrySA forests, the floor was handed over to the wider community's voice on Wednesday night and the message was clear — we will fight for our pines.

Over 600 vocal community members filled the Sir Robert Helpmann Theatre auditorium and spilled out into the corridors and an additional room, listening to proceedings on speakers, as they keenly participated in a public meeting of unprecedented proportions in Mount Gambier.

The silent crowd listened intently as a panel of their council leaders and industry stakeholders briefed them on the State Government's intentions with the forward sale of the pines and what impact it could have on the region.

However, the crowd erupted when a call to arms was made by various speakers to fight as a united community and take the campaign to Adelaide.

The argument on the night was notably one-sided, with no representative from the State Government in attendance.

Mount Gambier Mayor Steve Perryman's announcement of apologies of non-attendance from Premier Mike Rann and Treasurer Kevin Foley was met with jeers, however Mr Perryman requested respect be shown by the impassioned crowd.

South East union official Travis Lawson, who proudly wore his CFMEU union shirt on the night, encapsulated the feelings of the crowd on how to move forward.

"We are ready to get on a bloody bus, go to State Parliament to tell them to get their nose out of our pines," he said.

5GTR FM radio presenter and Mount Gambier-born June Dixon echoed similar sentiments that were met with applause.

"We have to go to war — we don't want our pines gone," she said.

"Anybody that wants to come and get me, come and get me."

CMFEU Brad Coates was the stand-out speaker on the night as he addressed the crowd with what Wattle Range Mayor Mark Braes referred to as "a good old fashioned stump speech" and was met on several occasions with cheers and applause.

Mr Coates warned the crowd the forum was just the beginning.

"This is just the start and I feel that tonight I am preaching to the converted who are already strongly opposed to the forward sale," he said.

Eric Roughana OAM outlined the long-standing role of pine trees in the South East, while Chamber of Commerce president Lynette Martin spoke about the impact the sale would have on local business activity.

“In the South East, there is no bigger player than the timber industry and all the ancillary businesses it attracts, which in turn provides employment for many thousands of people in our region across a broad spectrum of businesses,” she said.

“This decision will have a flow-on effect right down through the ranks.”

Ms Martin said there would be no doubt that the private investor who bought the plantations would seek the best price possible.

“Our belief is that if someone is taking on a level of risk in forward sales of timber or any resource, they would not undertake such an arrangement without purchasing at an advantageous rate,” she said.

“Therefore, not only are we being sold off, but sold off at a discounted rate.”

Mount Gambier resident and mill worker Fred George recalled the devastating loss of jobs in 1994 when the government sold mills and expressed his concern that the forward-sale decision would cause thousands of more job losses.

“Back then the government at the time said they would never sell the forestry asset and I can’t believe it is all to prop-up a credit rating from 2.8 to three,” he said.

“This will cause thousands of job losses to people like me and it will affect our children’s grandchildren — we have to go to Adelaide.”

Five motions put forward by Wattle Range Mayor Mark Braes were passed by unanimous votes from the crowd for the three mayors from Mount Gambier, Wattle Range and Grant District councils to take to the State Government.

The motions stated that the public meeting:

- Record its opposition to the sale.
- Record its strident view that any sale will have detrimental and irreversible effects on the local timber industry, associated industry, retail and commercial sectors.
- Insist the government not proceed with the forward sale until the promised Regional Impact Statement has been considered by the local community.
- Endorse a deputation of mayors from councils, with Mr Coates added as a union representative.
- If the State Government insists to proceed with the sale, the public meeting endorses the councils and stakeholders take strategies and actions jointly to stop the forward sale.

An additional motion was introduced by Liberal State Rural and Regional Committee chairperson Tony Pasin and passed by the attendees that Mr Foley attend a public forum in Mount Gambier to present the business case which treasury claims supports the forward sale.

Mount Gambier man Gordon Bignell said it was important the meeting inspired others to join the campaign.

“If the media present what happened here today with how many people have turned up, I think it will encourage others to support the campaign — the support needs to grow from this small step,” he said.

“We need to shut Mount Gambier down — shut the shops, shut the schools, take our log trucks and take them all to Adelaide — you might think I’m joking, but this is what it is going to take,” Construction, Forestry and forest products, Mining and Energy Union South East representative Brad Coates told the forum at the Sir Robert Helpmann Theatre.

Take forest fight to Adelaide, region told

The Border Watch - November 8, 2010.

Hundreds of people at a public meeting in Mount Gambier on Wednesday night were urged to “shut down Mount Gambier and take the fight to save our pines to Adelaide”.

“We need to shut Mount Gambier down — shut the shops, shut the schools, take our log trucks and take them all to Adelaide — you might think I’m joking, but this is what it is going to take,” Construction, Forestry and forest products, Mining and Energy Union South East representative Brad Coates told the forum at the Sir Robert Helpmann Theatre.

Mr Coates said the tendency for government actions to be determined by electoral cycles required rural areas to lobby on issues in Adelaide.

“The only way we can do that is by taking Mount Gambier to Adelaide,” he said.

“The Labor Government holds no seats outside metropolitan Adelaide, so we need to educate our Adelaide cousins and make them understand what is at threat here.”

The forum attracted more than 600 people with crowds spilling out of the theatre and into the foyer as the region’s mayors, forestry and business leaders spoke about their fears that the controversial State Government decision would decimate the region.

Concern has grown after Forests Minister Michael O’Brien told a Mount Gambier meeting last month that the decision to forward sell plantation rotation harvests had already been made in 2008, but a study was still to be conducted on the potential impact on the region.

“We need to go to Adelaide and demand Premier Mike Rann and Treasurer Kevin Foley meet with our civic leaders and ensure the regional impact statement is taken seriously because it will be massive,” Mr Coates said.

He said the proud heritage of the region was at stake.

“It is a heritage that we are proud of and one that politicians with more balls put in place — these are not their trees to sell,” Mr Coates said.

He told the crowd he pitied Mr O’Brien, who was sent to Mount Gambier two weeks ago to announce the government’s decision.

"I felt sorry for the minister when he came down here a couple of weeks ago — for starters, he doesn't know anything about timber industry," he said.

"Secondly he was sent down here to sell something that stinks."

Mr Coates stressed the seriousness of the impact the sale posed and urged the community to play a part in building a united campaign.

"Wake up tomorrow morning and ask your neighbour how they feel about the price of their house going down \$50,000 — if we lose the big companies down here as a result of this decision then employment will tumble and so will population and the desire to live here," he said.

"We can laugh now, but this is serious — talk to relatives, workmates, talk to enemies — it is not too often that you will see me and (mill owner) Ian McDonnell sitting side by side at a table, but we are united for the cause because we have a common interest.

"We both put food on the table from this industry and both are passionate about timber."

Mr Coates said the decision made even less sense in a world moving towards accepting the need to act on climate change.

"In a paradigm universe where greens rule, climate change and trees will be a big thing as trees store carbon," he said.

"The more trees you've got, the richer you will be — you don't think prospective buyers of the trees will know that?"

Protest rally planned over timber sale

ABC News November 8, 2010.

The south-east South Australian campaign to stop the forward sale of ForestrySA plantation harvest rights is planning a protest rally at Parliament House in Adelaide later this month.

Mount Gambier Mayor Steve Perryman says the sale would threaten the entire regional community and economy.

He says the decision has been made in Adelaide and it is therefore important to voice opposition in Adelaide.

"There was a very clear mandate from the public meeting last Wednesday that as a community we need to protest against this decision and we need to fight hard to have it overturned, so we are as a council assisting the community to make sure that everyone who wants to be there can be there," he said.

The protest will be on November 24.

RDA still awaiting timber sale review request

ABC News - November 9, 2010.

Regional Development Australia (RDA) is still waiting for a formal request from the South Australian Government to assess the impact of the sell-off of up to 105 years' worth of the south-east's timber asset.

Forestry Minister Michael O'Brien asked RDA at a timber industry stakeholder meeting last month to reassess the long-term employment options for the south-east.

The move was prompted by fears of mass mill closures if timber was sold to private investors and exported overseas for processing.

The chief executive of RDA Limestone Coast, Grant King, says he is still waiting for a formal request from the Government but in the interim has started looking at the possible outcomes for the industry that employs 5,000 people in the region.

Mr King says it is important a regional impact statement is finalised soon to fully understand the ramifications the sale would have on the region's commerce.

Mr O'Brien was not available for comment.

Meanwhile, the Member for Mount Gambier, Don Pegler, will meet the Premier tomorrow to push the need for the regional impact statement's completion.

Mr Pegler says it will be a good opportunity to speak to Mike Rann, to highlight the region's reliance on the timber asset, while the Treasurer is overseas.

Fight for forestry

By Melissa Mack The Independent Weekly 6 November, 2010.

Mount Gambier's radiata pines sway gently in the spring breeze, but a storm is brewing in the forestry industry as more than 5000 jobs are at stake.

The State Government plans to forward-sell "one or more rotations of plantation forests in the south-east" – up to 100 years of harvesting rights – but the local industry has vowed to fight back.

More than 600 people packed a public forum on Wednesday night at the Sir Robert Helpmann Theatre in Mount Gambier, where those arguing against the plan included local business, union and government representatives, as well as the State Opposition.

Stakeholders said any sale was likely to result in the timber being processed overseas, which would mean major job losses at local mills.

The Government flagged the plan in its mid-year budget review in late 2008, but revealed to stakeholders only last month that it was planning to go ahead with the sale.

Forestry Minister Michael O'Brien said a regional impact statement would be conducted, but stakeholders say this should have been done earlier.

"The options include the number of rotations that might be sold and what conditions might be attached to a sale," Mr O'Brien said.

But president of the Mount Gambier Chamber of Commerce Lynette Martin said the RIS was a token gesture.

“The Government is selling off the family farm. They are going to forego all the profit and benefit to the state for short-term gain,” she said.

“This is just another case of the Government purging the country for the city’s benefit.”

Forestry SA recorded a \$44.7 profit in the 2009-10 financial year, and Ms Martin said she couldn’t understand why the Government would sell the asset.

“This decision poses the greatest threat to the future of this region in this generation.”

Ms Martin said if the sale went ahead, “first jobs would be lost at the timber mills, then people would leave and then infrastructure would deteriorate”.

“It would decimate the south-east.”

Opposition Leader Isobel Redmond said the forestry industry accounted for 50 per cent of employment in the south-east.

“In a desperate attempt to prop up the state’s ailing economy, the Government is recklessly using the forests as a instant cash cow, showing they are ignorant of the devastating long-term impacts for the region,” she said.

Construction, Forestry, Mining and Engineering Union assistant state secretary Brad Coates said if the Government did not get the details of the sale right, it would put all forestry jobs in jeopardy.

“We are asking the Government to say if this does go ahead to return money to the south-east rather than use it to protect its AAA credit rating,” Mr Coates said.

Rather than sell the asset, Mr Coates said the Government could develop the industry by purchasing extra land. “They need the foresight that our forefathers had in planting the land.”

Mount Gambier Mayor Steven Perryman, who has been elected unopposed in the council elections, has led the push against the proposal, with the backing of the Wattle Range and Grant Councils.

“We had been given assurances by various ministers that it was just investigative up until recent weeks,” Mr Perryman said.

“But two weeks ago, Minister O’Brien came to speak to us and said the decision had been made.”

As a Government-owned and operated business, Forestry SA has provided ongoing stability to the south-east since the first plantations in 1876, but Mr Perryman said there would be grave concerns with a private owner.

Forestry employee and executive from 1943 to 2004 Eric Roudhana knows which direction the timber falls, and is concerned about what the Government’s decision will mean for the region.

“One thing that the industry has had since 1876 is stability and that is a most important issue. There’s a hell of a heritage here.”

And it’s likely there’ll be one hell of a fight from the Mount to the city to save it.