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“The Log” 19 April 2011



Hello and welcome to another weekly edition of “The Log”, the Australian Forest Contractors Association Ltd’s own internal electronic Newsletter for all of our Members and Corporate Partner Sponsors.

Recently, along with AFCA Directors Barry Fennell and Ken Padgett, I attended the “Residues to Revenues 2011” Conference in Melbourne which had a theme of turning bio-energy potential into profit. This was another excellent Conference conducted by our friends from the Forest Industry Engineering Association of New Zealand.

Across the two days there were number of both international and local speakers who highlighted that even though there is some bio-energy plants already in operation across the country, the industry hasn’t expanded as well as everyone thought that it would in Australia.

It was stressed that although any growth must be driven by industry, everyone who has an interest in it needs to work together and develop partnerships with other agencies and educate the community, to ensure a successful future.

It was highlighted that although the bio-energy industry generally employs significant numbers of people worldwide, we are really only at the frontier of its growth through using forest products as the base fuel in Australia.

Should we replace the term “residue” with “potential wood energy?”



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Australia is the 7th most forested country in the world. We have 149 million acres of forested land across the country. Although Coal fired plants produce 76% of the total energy required world wide, bio-energy plants produce 10%. In Australia wood fired plants only produce 1.17% of our total energy requirements

There were several issues raised that indicate that similar circumstances exist both in countries such as America and Australia when it comes to using wood for energy purposes. In the U.S sustainable forest management is a major issue, (sound familiar?), Architects don't know anything about wood energy. At the moment there is not a social license in the country that allows the use of wood to create energy. And in both countries there is a need to get rid of the lack of understanding that generally exists about obtaining energy from wood

Speakers highlighted that although there is a need for bio energy "industry champions" to come forward and provide leadership in the growth of the wood for energy industry, there is also a critical role for Government at all levels to play.

As such, it was disappointing (although not totally unexpected) to see that no Government officials either State or Federal, attended the conference. The only Government input was a brief presentation at the end of the program by a Bureaucrat from the Department of Energy Resources and Tourism (an unusual mix?), about what (very few in number and small in financial size) programs and policies are in place.

In summary, it was highlighted that bio energy from wood is a combination of new and old. Old wood and new technology. There is a need for anyone at our level of the forest industry who has an interest in bio- energy to be continually talking to our local Government officials about the potentials that exist in our area. Industry must take the lead in securing a future for it.

Our thanks to Mr Nate Clark (John Deere) and David Atkins (U S Forest Service) for the extracts from their presentations that are used in this article.

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As autumn comes around and the days get cooler, we can look back on the summer and reflect on what a terrible season it was. Floods and cyclones in Queensland, floods in Victoria, and fires in Western Australia all stretched the country and its people to the limit.

But what happens when they are all over? Have you as an employer still got a workplace in which you can continue to employ your people? Is the machinery still in working condition? What if its not?

Prior to the recent upgrading of the national industrial awards, most of them made provision for stand down clauses to be installed so that if employers were unable to provide employment because of natural disasters etc, employees could be stood down without pay. There was usually however, provision for negotiations to take place if disagreements were unable to be resolved.

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As of 1 January 2010 when the new "Fair Work" awards were implemented, more general clauses have been included which may or may not now give employers this option when natural disasters occur. All employers should check to see if the award under which you employ your people makes these provisions.

In some circumstances where ongoing employment cannot be guaranteed, employers and employees often agree

on annual leave being taken. It is important that if any of these sorts of arrangements are agreed to, that they are recorded in writing and signed by both parties. This will ensure that no disputes can occur at a later date.

It is important also to note that people who help out in the community during natural disasters also have some employment rights under the new Workplace Standards. They can be released without pay as long as the community service is performed as a member of a recognized organization, (Bushfire Authority, State Emergency Service etc). Some proof of the employee having worked for these organisations can also be requested by employers.



If you have any questions about how natural disasters impact on your workplace, you should either contact your own industrial relations consultant, or contact us here at AFCA and we will put our Consultant Peter Ryan to work to answer your questions.



Here's another classic example of what happens when a contract Principal decides to reduce the number of Contractors that it employs. The following is a summary of a radio interview between Orbost (Victoria) Chamber of Commerce Secretary Gary Squires, and regional ABC radio host Ms Celine Foenander.

“Ms Foenander states VicForests has confirmed some harvest and haulage contractors in East Gippsland are going to be left without work from June 30th. She explains that VicForests is not willing to discuss the matter further at this stage despite invitations for them to come onto the program. She also explained that they provided a 'lengthy' response saying VicForests harvest and haulage contractors are reviewed and adjusted prior to each tender process occurring.

Mr Squires states the Orbost Chamber of Commerce is concerned with anything in terms of job losses for the local community. He said that in the past 20 years there has been a change in the population of Orbost from over 3000 to just over 2000 which has impacted on lots of parts of the community. He states it is well demonstrated by the local football club. They had two and are now struggling to fill one football club.



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The local schools have also decreased in size. Over 90% of East Gippsland's land area is owned by the Government. Mr Squires admitted that there have been small increases in tourism over the past 20 years and there has probably been 20 or 30 jobs created, but at the same time they have lost a round 300 jobs in the timber industry.

Mr Squires said that authorities should look at what other countries are doing with renewable energy. He said Sweden and Finland are currently getting 30% of energy from Biofuel, and there is a capacity to accumulate significant amounts of forest residue in East Gippsland”. (end)



Orbost is a lovely little town that is being decimated by the gradual shutdown of the timber industry in East Gippsland. It is an absolute shame that Government vote grabbing policies can have such an impact on the lives of local communities that have built up such a proud history of their region through in this instance the timber industry.

Please note there will be no edition of “The Log” next week due to the extended Easter/ Anzac day break. We hope that everyone has a very pleasant Easter break and that you all enjoy however you are spending it. We trust also that you will take some time on Anzac day to acknowledge the efforts of our servicemen and women who have fought and died for our country. Lest we forget.



The next edition of “The Log” will be on Tuesday 3 May 2011.

Well, that’s all for this week. Thanks for taking the time to read this edition of “The Log”. We look forward to bringing you some more news from our industry again in two weeks time.

Regards to all
David Drane



Beautiful Burrill Lake NSW

