

## EDEN WOODCHIPPING IN THE RED

The Eden chipmill has just recorded its first ever loss in over 40 years of woodchipping in the south east.

In its financial statement to the Australian Securities and Investments Commission (ASIC) released this week, South East Fibre Exports (SEFE) disclosed a loss of \$126,430 for 2011.

Forest activist, Harriett Swift, who is the convener of the Chipstop campaign, said that the revelation of losses raises serious questions about the chipmill's future.

"SEFE is still exporting near record levels of woodchips, almost a million tonnes a year, but it cannot make a profit."

"The destruction of forest and wildlife necessary to achieve that export figure is immeasurable."

"It is astounding that after exporting 922,551 tonnes of chips, a figure exceeded only 4 times in the past 15 years, they could not break even."

"Financial Statements also reveal that SEFE is paying less for its raw materials, which shows that the public are still subsidising low log prices for the woodchipping industry."

"This week's devastating result for the Nippon Paper subsidiary comes only days after a Parliamentary Question revealed that Forests NSW is also making a loss in its Southern Region."

"With both SEFE and Forests NSW losing money on the destruction of forests for woodchips, we have to wonder why it is still happening."

"Nippon Paper has made over a quarter of a billion dollars out of Eden since it started woodchipping and it's time to face facts about the future."

"My advice to SEFE would be to close the chipmill now while they still have money in the bank. The company will need that money to provide fair redundancy and retraining for its staff and possibly to remediate contamination of the chipmill site."

"If they hold on in the vain hope that things will improve, it will only be worse for everyone in the end," she said.

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For the full report, see:

<http://www.woodchippingsux.net.au/SEFE%20Ann%20Rept%202011.pdf>