

Mass walkout at Inverness wood plant

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Staff at Norbord on their walkout.

MORE than 100 workers at a wood panel manufacturing plant near Inverness staged a mass walkout today (Friday) as part of a European-wide protest against government subsidies for biomass energy generation.

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Production closed down at Norbord's plant at Morayhill at 11.30am for one hour when all employees left the premises in a day of action being promoted and driven by the European Panel Federation.

The protest has been organised to highlight the impact that unfair subsidies to biomass energy generators are having on the wood panel industry.

The industry currently faces sustained buying power competition from the heavily subsidised energy sector.

Wood panels, a vital component in the low carbon construction industry and in furniture manufacture, are produced from virgin and reclaimed wood – the same materials which biomass energy plants are being incentivised by the Renewables Obligation (RO), through subsidies levied on consumers, to burn.

Electricity generators, purely as a consequence of these RO subsidies, can afford to pay more than double the price currently paid by the wood panel industry for its primary raw material claims the wood panel industry.

This has distorted the market and resulted in wood panel manufacturers seeing an average wood price increase over the last four years in excess of 30%, a trend which will only continue and accelerate.

Norbord employs 120 at Morayhill and has 650 staff at two other sites in the UK.

Karl Morris, managing director of Norbord Europe, said it was vital for the business to back the European Day of Action in protest at a short-sighted policy that threatens the long-term sustainability of the industry which supports 8,700 jobs throughout the UK.

He added: "We are not anti-biomass and, indeed, as an industry we have pioneered the burning of our process-derived wood residues to generate heat and power, which is then fed back into our own manufacturing process. In fact Norbord is already the largest generator of renewable heat in the UK and this too is threatened.

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"However the current subsidy regime means that wood panel manufacturing companies are seeing wood prices being driven up and shortages in supply of its primary raw material.

"Although we have received backing by MPs and MSPs and a wide range of other organisations and individuals, it's vital that political decision makers now begin to listen seriously to our calls for more responsible use of wood and to create a level playing field between ourselves and our competitors across the energy sector."