

# Timber plant workers to walk out in protest against 'green' subsidies

**STAFF TO JOIN EUROPE-WIDE DEMONSTRATION OVER CASH SUPPORT FOR BIOMASS ENERGY GENERATION**

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Published: 29/10/2010

Workers at a timber processing plant between Inverness and Nairn are to down tools today as part of a protest against "green" subsidies that are inflating the price of their raw materials.

All staff at the Norbord wood panel manufacturing plant will walk out in support of a Europe-wide protest against government subsidies for biomass energy generation.

Production will close down at Norbord's plants at Inverness and Cowie, Stirlingshire, at 11.30am for an hour when all employees will leave 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 what they see as 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 are produced from virgin and reclaimed wood – the same materials which biomass energy plants are being encouraged to burn by the renewables obligation (RO), through subsidies levied on consumers.

The federation says that electricity generators, 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.

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

Norbord employs more than 250 people at its Cowie plant and a further 120 at Morayhill, near Inverness. It also employs more than 400 people at its plant at South Molton, Devon.

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 shortsighted 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.

"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."

Alan Roy, Unite union branch chairman at the Cowie plant, said: "The fact that panel producers throughout the UK are shutting down their facilities for one hour today, shows unprecedented co-operation between businesses to highlight the seriousness of inaction on this issue."

Read more: <http://www.pressandjournal.co.uk/Article.aspx/1984868?UserKey=#ixzz141jxP98r>