

# Government warned not to reduce support for forestry in budget

by Joe Dermody

The Government must not be tempted to pare back on its support for forestry in the budget, an industry expert has warned.

SWS Forestry general manager, Pádraig Egan, said that forestry has proven itself to be one of the best investments anyone can make.

He said those who invested in the industry 15 to 20 years ago are now set to receive up to €10,000 an acre from the timber crop once production commences.

"In addition, the land value has increased," said Mr Egan, adding that the industry's potential is evident with demand outstripping supply.

"It's an industry whose time has come. In the biomass sector alone the use of forest residue to generate heat and power is relatively new in Ireland with energy use from biomass at a mere 1.3% while in Finland it's 18%.

"Yet Ireland has the best tree growing conditions in Europe, with an annual growth rate almost three times that of Finland," he said.

He urged the Government to "not be tempted by the economic crisis to pare back on supports to the forestry sector" while it's still in its infancy effectively."

He said lessons should be learned from 2003 when "cuts in support had a devastating effect on the industry."

## Dairy Ireland urges co-ops to adopt A+B-C milk payment system

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David Murphy, stated: "Dairy