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Story by SOS-NEWS investigative reporter Brumby (with 2yy's)

"A voice for the concerned people of Australia who have had enough"

THE RATT PACK



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SOLUTIONS.



Cardboard boxes are a topic of conversation that has suddenly reappeared in the media due to the high profile case of the two main players in this industry Australia. Visy and Amcor.

The wealth and ensuing power that follows big business in Australia seems to have a seedy side to success if we consider the likes of the Alan Bond, Christopher Skase and the HIH Insurance fiascos. Those falls from grace are again repeated as we now see the unprofessional equivalent skulduggery uncovered in the Cardboard box industry.

It is important that we understand just how the simple cardboard box comes to be, so lets start with the end product boxes, cardboard, paper, pulp, pulp mills, transport, trees, forests and parliamentary legislation.

Now, starting from the beginning, we have players that make millions upon millions of dollars from this simple product, wood pulp. A product that in Tasmania, has attracted the wrath of the Bob Brown sect of radicals and recently Geoffrey Cousins, a well known Sydney businessman and budding Tasmanian land developer, directed towards an iconic Australian company, Gunn Timber Ltd.

Gunn's being a home grown corporation dealing in the forestry industry and delivering more in economic benefit, than any other group, or groups, of Tasmanian industries. A corporation that yes, requires being kept on the straight and narrow as far as business and environmental responsibilities are concerned, but also a Corporation that has to be recognised for the incredible wealth and economic sustainability it delivers to the Apple Isle.

The Greens hate Gunn's with a passion, hence have systematically attacked to thwart whatever Gunns attempts to do, be it litigation, protest and/or environmental terrorism and in this latest attack on the Tamar pulp mill, have brought on board high profile corporate names such as soon to be identified, Mr Cousins.

Why is it then, that Mr Richard Pratt and his pulp business, Visy, is always apparently flying under the green's anti-pulp mill radar, or is he some how being guided through it? For example:

What GREEN Senator Brown had to say is this:

'An excellent example of pulp and papering is the approach taken by Visy in the planning, development and construction of their kraft pulp and paper board mill at Tumut'.





Mr Pratt, touted as the third wealthiest magnate in Australia, was given a leg up into the high-flying business world on the back of family success. Somewhat like Alan Bond and his career kick off. Money begets money and power begets more power, that is as long as the power holders retain the strength, ability, knowledge and determination.

Mr Richard Pratt is considered a pillar of society, follows Bill Gates style idealism as a philanthropist, sits atop the Melbourne Carlton Football Club as President, but more importantly, is a smart enough businessman to portray himself to the greater public by supporting activism on climate change issues through corporate trends, influence wealth and position.

Mr Pratt received the “**Champion of the Order of Australia**” in 1998, an accolade that is not only prestigious, but one that makes all us plebes consider he must be above reproach in societal eyes. A bit like the way we viewed Alan Bond for bringing home the America’s Cup to the shores of Australia. Alas! Mr Bond ended up as a guest of an establishment for a period that is so exclusive, that only a Judge can issue an entry permit.

To Mr Bonds credit, he stayed and faced his accusers, paid the price, and in society’s eyes, paid his dues. Unlike the low-down sleaze bag called Christopher Skase who slunk off to the Majorca luxury hide-away with all his ill-gotten booty, living the high life of riley and leaving in his wake, broken homes, families and businesses. God has a way of dealing to slime and in Skase’s case, brought a death upon him that was both fitting and unnecessarily prolonged.

Before the courts in this era of corporate misdoings, is the collusion of like massive wealth and power, Visy Board and Amcor, the two leading cardboard manufacturers in this nation were playing a two-company underhanded game of monopoly.



Visy, under the Richard Pratt leadership, attained such success and esteem in NSW that the Bob Carr Labor government of the day entered into a quasi partnership with his Company. A quasi partnership that saw the government enact an Act specifically to protect Visy Board and give them an apparent unfair commercial advantage over any lesser mortal competitor. It is called the “**Visy Facilitation Act of 1997**”. (hereafter, called the Act) –
(Pratt and Carr pictured shaking hands on the deal)

<http://www.legislation.nsw.gov.au/summarize/inforce/s/1/?TITLE=%22Visy%20Mill%20Facilitation%20Act%201997%20No%20139%22&nohits=y>

This Act, to the untrained, but fair and reasonably minded person, indicates that Visy (Mr Pratt), was being given not only preferential political protection for commercial purposes, but as long as he stayed in good favour with the government and especially the Minister and the Treasurer of the day, was assured incredible success regardless of what so ever turmoil may come NSW's way in the future.

Considering the court case that has been deliberated upon, why is it that Richard Pratt and his Visy group were obliged to face the Federal Court over allegations of the most serious breaches of business law - engaging in price fixing with a rival? Some 69 reported breaches of the Trades Practises Act.



There is no honour amongst thieves adage must play here, as one partner ratted on the other, with the eventual result that Mr Pratt and his senior executives have admitted to having been involved in price fixing in Australia's \$2 billion cardboard box market with arch rival, Amcor.

When you have all the cards n your favour, when you are at the pinnacle of success, when you are touted as one of the world's largest recycling corporations, when you have a government Act that protects areas of your individual Corporate survival, just what drives the brilliantly successful, to step over to the dark side?

The answer surely can only be the insatiable desire for more wealth, driven by that greater driver, "Greed". All it needs is the ability and wherewithal to consider themselves as above the law, along with the arrogance to believe that the little people are there to be fleeced, used and discarded once they have had the juice sucked from them. Certainly no social conscience existed and this clearly belies the bestowing of the accolade of the Champion of the Order of Australia and hence, purely on the admission of Mr Pratt and his senior Executives, requires the removal of this social status accreditation and a new recipient be found and retrospectively so bestowed.

There is a little adage that perhaps may well be appropriate here and it goes like this, "Lie in the little things, lie in the big things." Like the Bond, Skase and HIH commercial traumas, perhaps here to is an issue that is greater than that which we are all allowed to see, but to have faith in our Courts to deliver the truth and justice is the very corner stone of what Australian democracy is built on and in that we must hold faith.

So just who and what is Visy?

Let's use their own spiel for this and look at their advertised policies.

About Visy

Visy is owned by the Pratt family and was established in Melbourne, Australia in 1948. It has grown to become the world's largest privately owned packaging and recycling company.

Visy employs more than 8,000 people in Australia, New Zealand, and the USA. Total manufacturing revenues exceed \$2.8 billion and total manufacturing assets exceed \$3 billion.

During its first 30 years of operations Visy's activities concentrated on the manufacture of corrugated cardboard boxes. In 1979 the company made a decision to begin supplying its own packaging paper needs and built its first paper recycling mill. The Visy group now operates eight paper recycling machines - six in Australia and two in the USA. Together these machines produce more than 1.2 million tonnes of 100% recycled packaging paper annually.

In addition, Visy has constructed a \$400 million, plantation pine based, unbleached kraft pulp and paper mill at Tumut in New South Wales, Australia. The project produces 280,000 tonnes of unbleached brown packaging paper and is an investment in Visy's continued ability to recycle well into the 21st century.



In February 2001, Visy acquired Southcorp Packaging, adding new products such as PET bottles and jars, aluminium and tinplate cans, paperboard cartons and rigid plastic packaging to its core corrugated packaging business. The acquisition effectively doubled the size of Visy's packaging operations in Australasia.

Visy now operates more than 100 packaging factories and recycling sites across Australia, New Zealand and in the South East and Mid West of the United States.

Visy is committed to recycling and the environment. The company was voted Australia's leading company for environmental performance in the Sydney Morning Herald and Age newspapers' annual corporate reputation index for four consecutive years.

Visy's philanthropic arm, the Pratt Foundation is one of the largest sources of private philanthropy in Australia, donating in excess of \$10 million a year to a broad range of charities in Australia and overseas.

VISY Head Office: Level 2, 533 Little Lonsdale Street, Melbourne VIC 3000 (03) 9247 4747.

As we can see, Visy is an extremely large, multi-national corporation of global proportions and to end up in Australia's courts for allegedly conducting one of the most serious anti-competitive commercial offences available, price fixing, belies

belief, or does it? Is the only way for major corporations to survive in this new world order, a necessity to ensure that any competition is driven into the ground via the incredible advantage such corporations attain in wealth, power and access to political power, along with illegal activities, with the latter being the most effective?

It seems so if the history of the fallen world's high flyers is anything to benchmark by. From Enron to Skase and now Visy, a world run by corporate power is not on current trends, anything to aspire towards and certainly a future that we must all face with some serious trepidation as our home grown commercial entities gain immense market share whilst gobbling everything the public own through financially inept government's fire sales.

The modern world's corporate travesties are endless and yet we spend millions on APEC style trade fiascos, for what? Is it to ensure that the bases are covered for the next time, to ensure that the little guy only gets onto a ladder rung by higher corporate permission, by ensuring that political will is secured and hence parliamentary Acts for private corporations are enacted to subvert the will and the law of the land, we wonder?

The Brigalow Corporation's absorption of all that is publicly and governmentally Queensland, makes this billion dollar commercial scam look like kindergarten, but that's another story

So consider this;

Visy Facilitation (Act) of 1997

3 Definitions

(1) In this Act:

Agreement means the timber supply agreement or proposed timber supply agreement between the Commission and the Company relating to the supply of timber to the **Company in connection with a kraft pulp and paper mill at or near Tumut, and includes any agreement amending or replacing that agreement.**

Commission means **the Forestry Commission of New South Wales, which trades as State Forests.**

Company means **Visy Industries Holdings Pty Limited (ACN 005 787 968), and includes any successors to or assignees of that company.**

designated activities means **any activities or proposed activities** to which the Agreement relates or that are declared to be designated activities in an order under subsection (2).

external event means an **event, act, omission or state of affairs that occurs outside the control of the Commission, and includes any decision, direction or other act of the State or of an agency of the State (other than**

the Commission), and also includes the enactment of an Act or the making of a statutory rule under an Act.

State includes the Crown in right of New South Wales and **the Government of New South Wales.**

- (2) The Minister may, by order published in the Gazette, declare any activities (or proposed activities) connected with the Agreement, or with the kraft pulp and paper mill (or the proposed kraft pulp and paper mill) to which the Agreement relates, to be designated activities for the purposes of this Act.

4 Purpose of Act

- (1) The principal purpose of this Act is facilitate the establishment and operation of a kraft pulp and paper mill in southern New South Wales by the Company.
- (2) It is the intention of Parliament that the State and its **agencies will act to promote the principal purpose of this Act, and in particular will use their best endeavours:**
 - (a) **to assist the Company and any other persons to obtain any approvals that are necessary for or relevant to any of the designated activities, and**
 - (b) **to ensure that, within the applicable legislative structures, any such approvals will be granted.**
- (3) In this section:

approval means a consent, licence, permit, permission **or any form of authorisation.**

grant an approval includes give or issue an approval.

5 Act to bind Crown

This Act binds the Crown in right of New South Wales and, in so far as the legislative power of the Parliament of New South Wales permits, **the Crown in all its other capacities.**

6 Term of timber licences

- (1) The Agreement may be entered into by the Commission **despite anything in section 27A (2) of the Forestry Act 1916.**
- (2) The Agreement may provide that section 27A (2) of the Forestry Act 1916 **does not apply to any timber licences issued or to be issued to the Company.** Such a provision has effect according to its tenor

Forestry Act 1916 No 55

27A Timber licences

- (1) *A timber licence authorises the holder, subject to the regulations and subject to the conditions and limitations of the licence, to take timber, or such class or description of timber as is specified in the licence, on Crown-timber lands.*
- (2) *The term of a timber licence:*
 - (a) *shall not exceed 5 years without the prior written approval of the Minister, and*
 - (b) *shall not, in any event, exceed 20 years.*
- (3) *Timber licences shall be issued by the commission.*

Visy Mill Facilitation Act 1997 No 139

9 Guarantees

- (1) The State may guarantee the due performance by the Commission of any obligations or liabilities incurred by the Commission under the Agreement.
- (2) The form of such a guarantee (including its terms and conditions) is to be as determined by the Treasurer.
- (3) The State may, in relation to any matters arising under or in connection with the Agreement, **agree to make a payment to the Company pursuant to such a guarantee even though the Commission may be precluded by the law of New South Wales from making such a payment.**
- (4) The Treasurer may act on behalf of the State for the purposes of giving a guarantee under this section or entering into an agreement under this section. **The Treasurer (or a person appointed by the Treasurer) may execute any relevant document relating to the guarantee or agreement**

10 Undertakings

- (1) The State may undertake to reimburse the Commission, in circumstances specified or described in the undertaking, **for present or future liabilities incurred by the Commission to the Company under the Agreement and arising from external events.** Such a liability may relate to increases in costs or to any other matters.
- (2) The form of such an undertaking (including its terms and conditions) **is to be as determined by the Treasurer.**
- (3) The State may enter into agreements in connection with such an undertaking, and may, in relation to any matters arising under or in connection with the Agreement, agree to make a payment pursuant to such an undertaking **even**

though the Commission has acted in accordance with law or has been constrained or otherwise affected by the operation of law.

- (4) The Treasurer may act on behalf of the State for the purposes of giving an undertaking under this section or entering into an agreement under this section. **The Treasurer (or a person appointed by the Treasurer) may execute any relevant document relating to the undertaking or agreement.**
- (5) **Nothing in this section prevents the State from giving undertakings, or entering into agreements, in relation to other matters .**

11 Provisions applying if Commission is dissolved or its functions are transferred

- (1) If the Commission is dissolved, the obligations and liabilities of the Commission under the Agreement, including obligations and liabilities relating to the supply of timber to the Company, become the obligations and liabilities of:
 - (a) the State or an agency of the State specified by the Minister by order published in the Gazette, or
 - (b) (with the consent of the Company) another body or person so specified.
- (2) If any of the functions of the Commission affecting the obligations and liabilities of the Commission under the Agreement, including obligations and liabilities relating to the supply of timber to the Company, are transferred to or devolve on another body or person, those obligations and liabilities become the obligations and liabilities of:
 - (a) the State or an agency of the State specified by the Minister by order published in the Gazette, or
 - (b) **(with the consent of the Company)** another body or person so specified.

13 Consent authority

- (1) **Despite anything in the [Environmental Planning and Assessment Act 1979](#) or an environmental planning instrument under that Act, the Minister is the consent authority for development (as defined in that Act) connected with any of the designated activities.**
- (2) Subsection (1) ceases to have effect on a day to be appointed by the Minister by order published in the Gazette.

5 Objects

The objects of this Act are:

(a) **to encourage:**

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,
 - (ii) the promotion and co-ordination of the orderly and economic use and development of land,
 - (iii) the protection, provision and co-ordination of communication and utility services,
 - (iv) the provision of land for public purposes,
 - (v) the provision and co-ordination of community services and facilities, and
 - (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and
 - (vii) ecologically sustainable development, and
 - (viii) the provision and maintenance of affordable housing, and
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.

17 Review of Act

- (1) The Minister is to review this Act to determine whether the policy objectives of the Act remain valid and whether the terms of the Act remain appropriate for securing those objectives.
- (2) The review is to be undertaken as soon as possible after the period of 5 years from the date of assent to this Act.
- (3) **A report on the outcome of the review is to be tabled in each House of Parliament within 12 months after the end of the period of 5 years.**

The above Act was enacted to protect Visy in its endeavours in respect to the pulp mill they own and operate in the Tumut Shire in the lower north-western Snowy region of NSW.



It is a massive pulp mill affording the area incredible prosperity and employment from just one venture, but here to is an environmental cost.

The Tumut and surrounding landscape has changed from its historical wide open plains geography. An area that was historically and culturally a farming

community with rich fertile farming grounds, rolling hills spreading back into the Snowy proper. It supported immense livestock numbers, and its river plains were irrigated by the natural floods of the Tumut river.



At the breaking of turf for the construction of the Tumut Pulp Mill, guest speaker, Peter Garrett, President of the Australian Conservation Foundation, was full of praise for State Forests' 85,000 hectares of softwood plantation in the region.

Today, east of Tumut is a blanket of non-indigenous pine trees that spread as far as the eye can see. These forests breed under their evergreen gold needles, the most insidiously fertile garden for only that which is the bane of all farmers, Blackberries, St Johns wort and feral predators such as wild dogs, cats and foxes.

These forests suck the water from the mountains in such copious quantities that as these forests are legislatively spread, the catchment areas are by terrain increased, but in reality, water quantity and quality, is dramatically reduced.

Whilst the rural farmers are having their properties intentionally denied vegetation controls and forced to become overgrown with woody weeds through the draconian greenie driven Vegetation Act, the government via the Commission is exonerated from the same legislative imposts and clear falls the pines at what ever time in growth they desire.

When a farmer throws his hands in the air in despair and says I can no longer survive in farming due to all the constraints, imposts and legislation that was and is enacted to drive him to the city, the Commission buys up his land and in goes the very bulldozers to clear fall a property of the very vegetation that strangled the farmer in the first place, leaving Richard Pratt with more timber to grow wealthy and more powerful on and another family in the city living on the breadline to buy his products,

either directly or indirectly. To the likes of Pratt, Visy, and Amcor, they obviously don't care, as they are on a win, win situation either way.

With all this NSW legislative political commercial protection, a successful world conglomerate, why was it necessary for Richard Pratt and Visy to become embroiled in one of the most serious transgressions of corporate law we have?

That is an answer we will have to have the Courts supply and an understanding in each and every individual mind will only be formulated from one's own comprehension of the facts and implications, but to us, power and greed sits high on the top of our considerations and corporate distrust is not just a fermenting notion for the public, but a reality we must all come to accept and learn to protect against.

Its not enough, it never is, and by this Federal court case over price fixing, we need no more evidence than this to prove that corporate greed is all consuming for those that consider they are the elite by dollars, for certainly the Pratts of the world do not extol virtue and morality by their conduct. No apology could be enough to right the wrong of such devastating behaviour by one who so enjoys the misguided reverence of public society.

Tumut Pulp Mill Resource Supply

When the NSW Billo forest fire ignited in the Pines in Dec 06, it incinerated some 11,500 hectares of pine forest. Pine forest that was grown on fine pasture lands and rolling hills deprived of rural economy of normal means.

It was not a fire of God's will, there was no lightning ignition, it was either intentionally, or accidentally lit. This fire was discovered in its absolute infancy by a respected mountain man of great local knowledge. He and his travellers did all in their power to notify the authorities of the fire, its state and its pending threat, yet the time for response was less than immediate. Why?

RFS Press release Sunday 17/12/06

Firefighters are continuing to mop up and black out the Billo Road fire at Tumut. Crews have been able to keep the 11,447 hectare fire contained with the assistance of calmer weather conditions.

*The fire that started on 10 December has burnt out 11,447 hectares of pine plantation and private property but has not threatened any property. **What the hell is property if fences, pasture and pine trees for milling aren't and if they are not, why are they insurable? Sorry I digress, but it's bloody hard not to when dealing with such stories.***

With such incredible destruction - as we all now know ensued - imminent and clearly known by both the discoverer and authorities it was reported to, the lack of immediate action in all forms humanely possible, failed to expeditiously materialise. The fact that NSW Rural Fire services Commissioner, now Environment Minister, Phil Koperberg, denies this, is either a blatant lie by his informants, or a clear indication

the hundreds of millions of dollars spent in fire mitigation and fire-fighting infrastructure and procedures is an abysmal failure, for the Bilo forest burnt.

This particular fire, like all the latest massive holocausts since and before, burnt until it reached the open country and cleared areas surrounding the fire ground and the rest was only pulled up with the valiant efforts of determined volunteers brigade members. Members, that even during the fires were being thwarted from experienced responses by hierarchal interference. This interference got so bad that some fire crews took their appliances back to their respective fire sheds and went home in disgust.

The risk to vast areas of commercial and natural bush across the northern end of the Snowy, once again threatened the suburbs of Canberra. The threat was real and imminent and there was not a volunteer on the ground that didn't perceive this threat as an immense concern. A concern which was subsequently played down by RFS Commissioner Phil Koperberg in the media. Politics was the then Commissioner's, real cause, real need and as we now know, real future.

The value of the pines lost was huge, the effect on the Visy mill and its future profits margins has to have been affected. The pines will be insured and much of this burnt area has already been bulldozed and replanted, or ready for replanting.

The questions asked here are:

- ?? Who lit the fire?**
- ?? Why did it take so long for response?**
- ?? What was the value of the timber lost?**
- ?? What was the environmental cost?**
- ?? What if any was the insurance payout?**
- ?? What effect did this fire have on the tax coffers?**
- ?? Did Visy make a claim, via the Act, for any compensation and if so for what and how much?**
- ?? If a claim was made by Visy was it satisfied?**
- ?? If a claim was made by Visy and it was satisfied from the government and/or insurance coffers, how will it rate against the fines imposed by the Federal court re the now proven litigation into price fixing of product, product that the Tumut Visy Mill is expressly constructed to manufacture and supply?**

Known Information From The Case:

- ?? The Visy and Amcor Corporations colluded on the prices of product.**
- ?? There are alleged secret meetings in hotels and parks.**
- ?? Executives were given instructions on how to act and what equipment to use.**

- ?? **Market share was almost total for the industry.**
- ?? **Prices increased some 20%**
- ?? **The big two had control of hundreds of millions of dollars of the industry.**

Amcor got cold feet and become the squealer in this duos collusion – **WHY?** - this we may never know, but they did so with immunity from prosecution.

The value of the collusion is reported to have been worth **\$3-400,000,000** (\$3.4 BILLION dollars). The class action civil suits that are reported as being prepared by Visy and Amcor clients is reported as being in the vicinity of \$700,000,000.

The fine being sought by the ACCC is reported as the paltry sum of \$36,000,000.

Both Pratt and his senior executives have fessed up to the collusion and Richard Pratt will go down in history for his most prophetic statement of, “I know a lot more now, than I knew then.” What did he mean? Perhaps it was that even when your compatriot in corporate crime is making millions along side of you, never bloody trust them and be ready to rat first.

The end wash up here should be that the fines should be in the order of \$360,000,000, no class actions allowed and all fines money, spent on health and the elderly. Pratt should be denied from holding any sort of director’s position for 20 years.



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SOLUTIONS.**

But the end result will remain as the status quo, “legalised theft will be the privilege of the privileged.”

What is certain is, that no one can call Pratt a prat, for even a 36 million dollar fine is a get out of jail free card for such a wealthy corporate magnate who attracts his own corporate government Act to protect his business and fortune.

With VISY Board ploughing money into the many and varied Green groups, who have suspect and proven false agendas to deliver, then the accolades from Bob Brown, leader of the Greens, plus Peter Garrett waving the Visy Board flag , the question here is – why the massive persecution in the media, and blatant enviro terrorist tactics being waged on the Tasmanian pulp mill under the Gunn Timber Ltd banner, when the Pratt run Visy Board is pulping the Snowy Mountains?

