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Urgent action needed to save Christmas lunch, as supermarkets warn of food shortages if essential timber pallet mills close

Pressure is mounting to solve the nation's 'pallet gate' shortage as <u>Australia's largest pallet</u> <u>producer</u> says it's days away from stopping production, threatening the availability of food and drinks on supermarket shelves in the lead up to Christmas, the Australian Forest Products Association (AFPA) and Victorian Forest Products Association (VFPA) said today.

The Age reports today that the supermarket sector is warning of empty shelves in the lead up to Christmas unless Victoria's pallet-producing mills can continue production to feed into a national pallet logistics network that is already at breaking point.

AFPA CEO Ross Hampton warned that "pallet-gate" is about to get a whole lot worse as Australia's biggest hardwood pallet manufacturer in Dandenong, Pentarch, which makes 70,000 pallets a month and supplies all the major supermarkets, warns it will be forced to stop production within days as a result of environmental lawfare halting the supply of new logs.

"We are staring down the barrel of a food, drinks and other Christmas goods supply crisis because there won't be enough timber pallets for transport. This is a major problem that demands immediate action, or some stock won't get to consumers before Christmas," AFPA CEO Ross Hampton said.

Activist groups in Victoria have ramped up their lawfare in recent weeks, which has resulted in Supreme Court injunctions that have halted timber harvesting operations that supply Victoria's already-stretched timber mills.

"We've known for many weeks there is a timber pallet shortage in Australia. But the closure of forestry operations makes the situation much more serious. There will be a Christmas without some products on the shelves because pallet supplies will be so scarce. There will be no way to transport many sorts of goods," Mr Hampton said.

CEO of VFPA Deb Kerr said, "This court ruling is sending shockwaves right through Australia's logistics supply chains at the most critical time of the year. It will affect everyone from product producers right through to retailers and consumers.

"Governments need act on this crisis and find a solution to shore up timber supplies for pallet production, before it's too late," Ms Kerr concluded.

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