



# Identifying ways to make private native forestry future fit

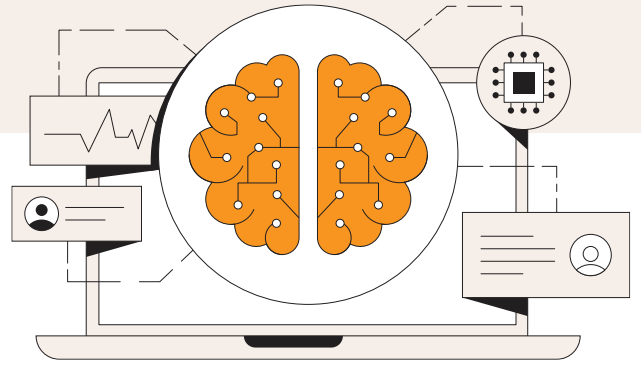
## Part 1 — Qualitative Report

July 2024

Prepared for North East NSW Forestry Hub / By StollzNow Research



stollznow



## Report

Identifying ways to make private native forestry future fit

Prepared for:

Local Land Services

by:

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July 2024



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# Executive Summary

## 1 Executive Summary

### 1.1 Overview

Native forestry is controversial and complicated. It is political, emotional, oppositional and yet all participants who were engaged in this research project have a common interest, which is forest health and sustainability.



*I can't remember who told me that they were chatting to a person who used to work in big tobacco and moved to Native Forestry, a comms person, they said tobacco was nothing compared to forestry, a walk in the park compared to forestry. Yes, it is one of the most controversial areas that you can work in Australia - KOL*

In April 2024, Stollznor Research (Stollznor) was contracted to provide an in-depth analysis of Private Native Forestry (PNF). Stollznor worked with Local Land Services (LLS) and North East Forestry Hub (NEFH) on this research project.

There were two parts to the research:

- Qualitative research: Participants who took place in this research were either Key Opinion Leaders (KOLs) or landowners
- Quantitative research: Participants were landowners who live in North East NSW

Key findings from both the qualitative and quantitative surveys have been included in this Executive Summary. The main report is limited to the method and findings of the qualitative research. The method and findings for the quantitative research are detailed in a separate report.

#### Qualitative research

KOLs included participants from a wide range of backgrounds who all share an interest in PNF. These participants had to have specific knowledge about PNF and included those from the native timber industry, timber producers, traders, certifiers, and environment groups.

Three types of landowners with private native forest participated in this research, including those with an approved PNF Plan, conservation covenants, or neither.

In total, twenty-seven interviews were conducted, sixteen with KOLs and eleven with landowners. The interviews were conducted either using video conferencing (Teams or Zoom) or by telephone.

#### Quantitative research

After the completion of the qualitative research, LLS, NEFH and Stollznor worked together to create a survey aimed at understanding landowners' attitudes towards PNF, property land



# Executive Summary

health, views on silviculture and exploring the interest in belonging to a group certification scheme. LLS sent 5,000 invitations to landowners with a native forest in North East NSW on 28 April 2025. They were given till 23 May 2025 to complete the survey.

In total of 554 fully completed surveys were received. Of this group, 29% currently had a PNF plan, 30% did not have a PNF plan but would consider having one and 41% indicated they would not consider obtaining a PNF plan.

## Participant perspectives

The information contained in this report are the views of participants in this research. Those reading this report may not agree with some of the opinions expressed; however, the purpose of research is to capture a broad range of opinions regardless of whether they are aligned to the reader's views or not. The opinions held are supported by the recorded comments made by each participant and are found in the body of this report for the qualitative research and the responses selected for questions asked in the quantitative research.

## Research purpose

This research looks to address a recommendation from the 2022 Legislative Council Inquiry on Long term sustainability and future of the timber and forest products industry, recommendation 21 states 'That the NSW Government investigate ways to incentivise Private Native Forestry certification, including potential group certification schemes or streamlined approval processes'.

## 1.2 Key findings

The purpose of this research was to provide Local Land Services (LLS) with information on the following:

- How to attract new private native forest landholders with land that is available and suitable for forestry to engage in PNF
- Incentivise existing PNF Plan holders to have their forests certified under a group scheme
- Incentivise existing PNF Plan holders to enhance the health and productivity of their forests through active silviculture management

The answers to each of these statements is complicated. There are many and varying opinions about PNF and group schemes which affect the communication, education and action that needs to take place if PNF and group schemes are to thrive.



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## 1.2.1 Attracting new PNF landholders

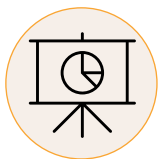
To understand how to attract new PNF landholders, identifying the current attitudes and issues that surround PNF is necessary.

Participants who support PNF identified key benefits for landowners to create, maintain and harvest a forest. LLS can use this feedback to help encourage landowners who are in the position but are not currently actively engaged in PNF.



### The collective feedback included the following:

- There are many environmental benefits to a landowner's property if they have a well-managed PNF
- Growing a PNF can be a creative and enriching experience; a forest with rich biodiversity, wildlife and species can be harmonious with harvesting
- PNF will require improvements such as roads, which creates benefits, and using the example of roads, the roads will act as a firebreak in the event of a fire
- A PNF provides income, and the better planned forests and larger forests can provide regular income rather than one payment from one irregular harvest
- PNF benefits not just the landowner but the broader community; this includes people who work within the industry and other community members who benefit from having a strong local native forestry industry
- The products from PNFs are providing essential sustainable solutions that benefit the environment. The replacement options to timber products can be argued as having a detrimental impact of the environment



Findings from the **quantitative research** support this feedback. Among participants with a PNF Plan in place, the top reasons for harvesting trees include generating income (80%), maintaining a healthy and productive forest (80%), and a recognition that they are supplying a valuable resource (69%).



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## PNF is viewed as essential, but there is concern for its long-term viability:

- PNF currently plays a vital role in the supply of native timber. PNF is high quality timber that is much sought after, particularly by sawmill operators. PNF landowners can be more flexible and experimental in their approach to how they grow their forest; the resulting diversity increases interest in PNFs
- Many hold concerns about PNF if harvesting in State forests is reduced or stopped. Many question the depth of supply and fear pressure will be put on the landowners to increase their harvesting. There is recognition PNF could increase productivity but care needs to be taken on how best to expand PNF.
- ENGOs are concerned PNF has the potential to be worse than harvesting in State forests and are also concerned the impact of PNF is not transparent.

| Importance                               |
|------------------------------------------|
| Essential for supply of native timber    |
| Provides high quality timber             |
| Flexible growing strategies              |
| Vital if State forest supply compromised |
| Sawmills rely on PNF                     |

| Concerns                                   |
|--------------------------------------------|
| Is there enough PNF available              |
| Will owners of PNF be pressured to harvest |
| Sawmills will be forced to close           |
| PNF timber users concerned about ethics    |
| Little information about PNF capacity      |
| PNF could be worse for the environment     |

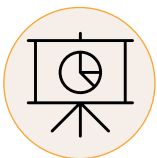


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## Contractors play a key role in the confidence landowners have in PNF

Contractors who operate ethically need to be identified and recognised to help eliminate the unethical operators. This group plays a pivotal role in giving landowners with a PNF Plan confidence their forest will be harvested and cared for appropriately. Both KOLs and landowners are wary of contractors; even with those they trust, the more experienced landowners will always monitor the harvesting process.

| Contractors - positive role                 | Contractors - lack confidence          |
|---------------------------------------------|----------------------------------------|
| Ethical contractors are invaluable          | Unscrupulous contractors are operating |
| Contractors understand forest values        | Financial gain over forest values      |
| Honesty is key to a successful relationship | Unethical pricing                      |
| Help prepare the PNF Plan                   | High grading                           |
| Work closely with the landowner             | Aggressive towards landowners          |



Concerns about contractors were reinforced by the **quantitative survey** findings, with 61% of participants with a PNF Plan expressing uncertainty about whether they are receiving a fair price for their timber.

## Roadblocks to engaging in PNF

To attract more landowners to engage in PNF, LLS will need to address the many roadblocks participants identified. There is no hierarchy of importance, but it is in the interest of LLS to consider each issue if they wish to engage with potential landowners.

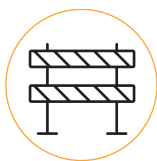


### Big picture issues:

- PNF needs a 20-25-year program to build depth
- Political pressure not problem solving is detrimental
- Environmental and EPA scrutiny is off-putting
- Dual consent: both LLS and councils have to approve; confusing and complicates the process
- Koalas are important but are used as an environmental scare tactic
- Alternative options such as carbon credits might become popular



# Executive Summary



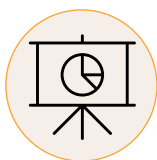
## Limitations:

- Small landowners will not be economically viable
- Many landowners are not aware, or not interested
- Landowners will require information, knowledge, practical and financial support
- Properties are smaller; new owners want to harvest immediately
- Landowners do not always have quality timber
- Educating landowners is challenging
- Many PNF are currently in need of a 're-set' before they can be productive
- It is expensive to grow a PNF. Landowners do not always have enough funds
- Sawmills are closing, increasing the cost of harvesting; will it be financially worthwhile to harvest
- There is no fair pricing scale; landowners are uncertain about fair payment
- Increasing government involvement may not be viewed positively
- The number of landowners who could be interested in PNF needs to be estimated



**Attracting new PNF landowners with land that is suitable for forestry to engage in PNF has many challenges, but feedback from this research suggests there are some key areas LLS could focus on to assist this goal which are:**

- Reassurance to landowners their PNF will benefit from better management
- PNF is no different to their other income sources; however, it is a long-term proposition
- PNF makes their property more valuable
- Support and education courses are available
- Contractors: their role is critical, but their poor reputation is a consistent issue - fair pricing is achievable
- The benefits of PNF extend to the immediate and broader communities



Landowners in the **quantitative research** who would consider a PNF Plan (31% of all research participants) identified both challenges and potential benefits. These landowners see genuine potential in improving forest health, supporting biodiversity, and generating income but the feedback suggests many are unsure about how the process would work in practical terms, operational processes, understanding if their forest is suitable for harvesting, the income it might generate and how much timber would be removed. The quantitative research suggests landowners are willing to engage, but need greater confidence, support, and clarity to move forward.



# Executive Summary

## 1.2.2 Group scheme incentives

The objective is to understand what incentives are needed for potential landowners with a PNF to join a group scheme.

Details of how a group scheme would operate were described to interviewees in broad terms. This did not detract from the information collected because it has allowed participants to discuss their concerns or issues they might have which then gives LLS an indication of the aspects needed to be considered when progressing this concept.

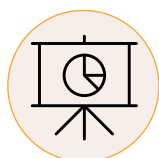
It is suggested LLS consider further engagement with a sample of landowners to further refine the group scheme concept before it is in the public domain.

### KOL feedback - certification

Most KOLs feel the current PNF Plan is adequate, but if group schemes are to operate, they support a certification process. It is recognised certification for a landowner with a PNF is currently an expensive option but collectively is manageable.

Responsible Wood / PEFC has the support of many of the KOLs, with the only flaw suggested is that the gap between the better performers and the lower ones may be too broad.

ENGOS will only accept Forest Stewardship Council (FSC) certification.



The **quantitative research** found that only 11% of landowners are aware of Responsible Wood / PEFC and 21% aware of FSC. This finding highlights the lack of knowledge that currently exists for certification and supports the finding that extensive education will be required.

| Benefits of involvement - KOLs                                                                                   |
|------------------------------------------------------------------------------------------------------------------|
| Timber can be sold for a higher price                                                                            |
| Costs are absorbed across the group                                                                              |
| Profits are shared across the group                                                                              |
| Fewer administrative responsibilities                                                                            |
| Success also includes... <ul style="list-style-type: none"> <li>Local support will benefit the scheme</li> </ul> |

| Concerns - KOLs                                   |
|---------------------------------------------------|
| Rogue member management                           |
| Lack of examples to demonstrate concept           |
| Government involvement may cause concern          |
| Environmental group interference                  |
| Schemes in operation already attracting attention |



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## Benefits of involvement - KOLs

- LLS involvement will ensure good processes are in place
- Equipment needs to be small to suit the properties and forests needs
- Success will require government funding, education, training and infrastructure

## Concerns - KOLs

Difficult to run a scheme without government support

KOLs have a concept of group schemes and in principle can see there are some advantages to landowners to be part of a group scheme. If LLS is to demonstrate to landowners the benefits of belonging to a group scheme, from a KOL perspective the main focus will need to be on both the support landowners will be given, and the advantages for the landowner by being part of the scheme.

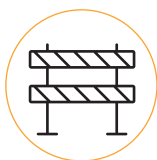
This position is supported by a KOL running a group scheme. They enjoy and are committed to the process of creating a healthy forest, but it is not currently financially rewarding. It is only sheer determination that keeps them going. Their message is government needs to provide at the very minimum some financial support.

## Group schemes - Landowners

Landowners did not have a strong concept of a group scheme. There are some landowners who have a forest for personal enjoyment, have either a conservation covenant or are considering one, and these landowners will have no interest in participating in a group scheme.

The remaining landowners could only think of barriers, which reflects the level of uncertainty this concept created for them. Their feedback provides LLS with the opportunity to understand the issues they will need to address if/when a group scheme is being established.

Group schemes were not rejected by many participants. KOLs can see there is merit, landowners are more hesitant but both groups will require more education about the concept and how they could work before they would be prepared to make any further comments.



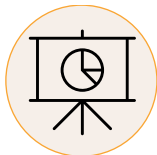
### The barriers raised by participants are:

- Is there any value in a small PNF landowner joining
- The cost of joining might outweigh the benefits
- A PNF with 'small logs' might not be an appropriate member
- It is easier to be independent than locked into a scheme
- The financial constraints of a scheme might impact how members work together
- There is a lack of trust in a government organised scheme



# Executive Summary

- An easier option is to harvest immediately and not participate
- Harvest timing to suit the scheme might not suit the individual
- Price sharing fairness: concern over profit sharing
- Financial compensation may be required to ensure success



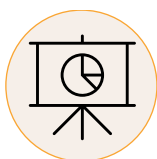
The **quantitative research** identified the biggest barrier being 'cost', with 63% of participants selecting this response. Other barriers are unwanted attention from environmental groups, the preference to be independent and concerns about group member cohesion.

Participants were presented with various cost scenarios for joining a group scheme. The findings indicate that, based on their current (and limited) understanding, interest in participation is low. To generate engagement, landowners must clearly see value for money, particularly where membership involves upfront or ongoing costs.



**The incentives to have landowners with appropriate PNF belong to a group scheme are presenting as three main focuses which are:**

- **Support** - financial, educational and practical
- **Value** - how will landowners, the industry and those who sit outside of the industry benefit from group schemes
- **Management** - how is a group scheme managed, who is responsible, who makes the decision and how much are the needs of the landowner taken into consideration



Just under half (47%) of the **quantitative participants** who either have or would consider having an PNF Plan said they would consider joining a group scheme with other landowners. The support they identified as needing is training and education and access to approved certified contractors. There was little interest in the management of the group scheme to be run by government (15%).



# Executive Summary

## 1.2.3 Active silviculture management

The third objective of the research was to understand how to ‘Incentivise existing PNF Plan holders to enhance the health and productivity of their forests through active silviculture management.’



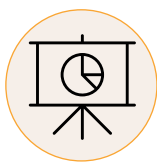
### The main issues raised LLS could address are:

Silviculture management varies as there are so many different approaches KOLs and participants discussed about how to manage a PNF. The challenge is how to develop a model that satisfies all. Examples of varying points of view are:

- Modelling a forest on the perceived approach of National Parks is ideal
- Disturbance when harvesting helps with regrowth
- Disturbance when harvesting is devastating to regrowth
- Thinning is essential
- Biodiversity is imperative

The key feedback from landowners is the direct benefits and appreciation they have from having LLS staff visit their property. Education is essential, but most landowners are unsure about forest management and confused about where they can go for help. None of the landowners want to degrade their property, but many are uncertain of how to manage it and improve its health and productivity.

Financial assistance will be welcome by any landowner to improve their forest, but knowing what to do with that money and being supervised by an agency they respect to ensure the forest will improve its health and productivity, are also critical.



The **quantitative research** found that while only a small number of participants currently practise silviculture, many would consider adopting it, particularly due to its perceived benefits for forest health and fire risk reduction. Uptake is limited by key barriers, most notably cost and a lack of knowledge. For interested landowners to engage in this form of land management, the findings suggest they will require accessible information, practical guidance, and support.



# Executive Summary

## 1.3 Differing views - KOLs

This research has incorporated many different perspectives from KOLs who participated in this research. These opinions are only representative of the individuals who participated but offer some insights into the key issues for native timber forestry and PNF that each hold. Native forestry is the focus of many strong opinions, and this section is included because these opinions could impact on the expansion of PNF Plan holders and group schemes.

KOLs represented four groups. The key feedback from each of these groups is as follows:

| <br><b>Councils</b> | <br><b>ENGOS</b> | <br><b>Supporters</b> | <br><b>Business</b> |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Dual consent because do not fully trust LLS                                                          | Support timber over alternatives available                                                        | Environment groups lack understanding about forest management                                           | Support timber being sourced in Australia before looking for overseas supply                           |
| Too many landowners have PNF Plans only for financial gain                                           | PNF is unregulated and not documented                                                             | The industry is subject to 'untruths' that are damaging                                                 | Many considerations: environment, community, providing timber cost efficiency                          |
| Harvesting inspection rarely if ever occurs                                                          | Farmers have poor environmental ideology                                                          | The economic contribution of the industry goes beyond those directly involved                           | Support both Responsible Wood and FSC                                                                  |
| An ecological report should be submitted prior to harvesting                                         | Only FSC certification acceptable                                                                 | National Parks are not subject to the same level of scrutiny as State forests                           | Concern local communities dependent on the industry will be adversely affected                         |
| Harvesting uses equipment that damages local roads                                                   | Harvesting equipment used is damaging                                                             | The timber industry is essential, but its contribution is undervalued                                   | Open to direct engagement with forest owners                                                           |



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## 1.4 Local Land Services

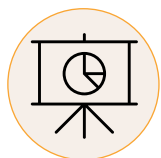
Local Land Services (LLS) has the respect of most participants in this research. It is an organisation which has benefited from the change where they now only focus on being a support agency to landowners and are no longer an enforcer of regulations, a job that now belongs solely to Environmental Protection Agency (EPA).

LLS is described by many participants as an agency where the staff genuinely care and do their best to be helpful. On-site visits are much appreciated, and the courses offered are helpful and well attended.

Landowners are all aware of LLS because of the annual fee, but beyond that, the advice they receive about weeds, pest and veterinary services were all raised by multiple landowners as ones that they have benefited from.

A few landowners have consulted LLS post 2019 bushfires and how to restore their property in the aftermath.

The only notable absence in the praises for LLS is the lack of connection with LLS and farm forestry. Of the landowners who have used LLS, none had thought to ask them about their forest and way it can be managed.



The **quantitative research** found strong support for LLS as a trusted source of information, though it is important to note that all participants were drawn from the LLS database. Among those interested in forest management and harvesting, LLS is the most commonly consulted resource, followed by forestry contractors and consultants. Landholders with a PNF Plan are more likely to rely on LLS, more so than those without a plan.



# Executive Summary

## 1.5 Conclusion

KOLs involved in this research can see the benefits of expanding PNF and introducing Group Schemes. There are high levels of concern amongst many KOLs about the future of timber production in NSW. PNF is one potential way to mitigate the continuing pressures in this industry.

ENGOS have concerns about PNF and will be watchful if the group scheme concept progresses. FSC certification is the only one they will accept

Landowners who are open to harvesting are interested in understanding more about silviculture but expressed reservations about the concept of Group Schemes.

To increase interest and uptake in PNF, silviculture, and group certification schemes, the research indicates that more landholder encouragement and support landowners will be needed. LLS is well positioned to provide this service. Key focus areas could include providing clear, practical resources, step-by-step guidance, and accessible, hands-on advisory services. Presenting silviculture primarily as a tool to enhance forest health rather than emphasising timber production may resonate with a broader range of landholders. For group certification to gain traction, clear explanation of scheme management is needed, followed by communication of realistic costs and the associated environmental and financial benefits. LLS is already viewed as a credible source of information, and this trust can be further leveraged to expand its influence among both current and potential forest managers.



# Purpose and Objectives

## 2 Purpose and Objectives

### Research purpose

This research looks to address a recommendation from the 2022 Legislative Council Inquiry on Long term sustainability and future of the timber and forest products industry, recommendation 21 states ‘That the NSW Government investigate ways to incentivise Private Native Forestry certification, including potential group certification schemes or streamlined approval processes’.

### Research objectives

The aim of this research is to provide Local Land Services (LLS) with information on how to:

- Attract new private native forest landholders with land that is available and suitable for forestry to engage in PNF
- Incentivise existing PNF Plan holders to have their forests certified under a group scheme
- Incentivise existing PNF Plan holders to enhance the health and productivity of their forests through active silviculture management



# Qualitative research

## 3 About the Qualitative Research

### Research participants

The participant in this project consisted of:

- 16 Key Opinion Leaders (KOLs)
- 11 Landowners

Local Land Services compiled a list of prospective participants for this research project.

### KOLs

KOLs were identified and an email was sent from LLS advising them of the project and the involvement of Stollznnow Research

- Participants were given the option to not participate
- Participants were advised LLS will not know who participates and who does not and their comments have been protected to prevent identification

KOLs were divided into the following groups:

- Industry with PNF experience
- Timber producers/Traders/Specifiers with knowledge about certification
- Certification bodies/rule makers
- Environment

Participants were sent an email from Giselle Stollznnow asking them if they would like to participate in the research. If they responded, a time was established. Participants who were approached but did not respond were recontacted once.

### Landowners

LLS sent out emails to potential participants who were divided into groups. A target number was agreed on for participants in each of these groups:

- Conservation covenant x 2
- No PNF plan - x 3 (although there was an additional interview in this group)
- PNF Plan Holder x 5

### Fieldwork

The fieldwork began Monday 8 April and was completed on May 22

### Fieldwork method



# Qualitative research

Participants were given the option of being interviewed via video conferencing or telephone.

- All video conferencing interviews were recorded and transcribed
- Telephone interviews were either recorded or notes were taken during the interview
  - Interviews where notes were taken were ones which were spontaneous interviews and the recording process could not occur. In this cases where notes were taken and quotes from the notes have been used in the report, some are not replayed with 100% accuracy
  - Recorded telephone interviews were all transcribed

## Incentives

Incentives were offered to all landowner participants. The incentive offered was \$120

## Moderator

There was only one moderator involved in this research. All interviews were conducted by Giselle Stollznaw

## Discussion guide

The discussion guide (see appendix) was the tool used to conduct the interviews.

The discussion guide was developed between LLS, North East NSW Forestry Hub and Stollznaw Research. The discussion guide was designed to answer the three main topic areas of the objectives.

No other materials were used in this project.

## Transcription

Recorded interviews were transcribed by Olympia Constructions

## Limitations

- Qualitative research is not applicable to the broader population, due to the way the participants were recruited, the size of the sample, the variability among participants and their perspectives and the number of participants involved in this research
- Group certification as a concept was limited by the lack of information that could be provided to the participants

## Research agency

Stollznaw Research has attempted to present the range of views and opinions expressed in this research. None of the information contained in this research are the opinions of any employees of Stollznaw Research.

This project was carried out in compliance with ISO 20252



# Native timber industry

## 4 Native timber industry

### 4.1 Importance of native timber industry

#### 4.1.1 Key Opinion Leaders

##### Summary

Many of the KOLs interviewed for this research believe Australian native hardwood is an important renewable resource for Australia. It is one that has supported the expansion of Australia by supplying valuable building resources, and when harvested properly contributes to the environment; it is a much used and appreciated resource.

The main reasons provided as to why native hardwood timber is important to Australia are:

- Hardwood provides a connection to the natural environment
- Hardwood is environmentally friendly and sustainable
- There are many important uses of native hardwood which are often not recognised
- Controlling the supply of native timber and its sources is essential
- Compared to the alternative options available, native hardwood is cheaper, more sustainable and renewable
- Most KOLs agree it is important to have a sustainable native forestry industry
- It is a valuable resource that has become a target for closure

##### Findings

The uses of hardwood in Australia were described by KOLs as including decking and internal timbers, poles, marine, furniture, flooring, fencing, wharves, walkways. There is agreement that hardwood when used in the homes of Australians is valued for its decorative qualities and is often used for beautifying the internal environment.

The benefits Australian native hardwood provides according to KOLs are as follows:

##### Hardwood provides a connection to the natural environment

Australian native hardwood is thought by one KOL to be appreciated by those who use it for its connection to the natural environment. The timber is unique, it helps make people feel connected to their land and it is superior to imported or lesser quality wood.

*So there is that sort of connection to place and country that I always felt like we should be really proud of our hardwood timbers because they are unique*

This KOL believes there is research which shows that in environments where there are natural products, like timber, results have shown an improvement in the mental health of those who live in that environment. Their belief, and others agree, is that the impact native hardwood has on people is positive, enjoyable and quintessentially Australian, and contribute to the well-being of those who have native timber in their immediate living space.



# Native timber industry

*There is actual research that shows that when you are in environments that have natural products like timber and things on show that actually improves your mental health and wellbeing and if you know that that timber has come from your own backyard somewhere surely that sort of adds to the story*

## Hardwood is environmentally friendly and sustainable

The environment and what is best for it is a hotly discussed topic amongst academics, scientists, media and the general public. KOLs who support the native hardwood industry believe there are strong environmental reasons for this industry to exist and thrive. Trees grow in a natural environment, and KOLs argue they assist the environment for the following reasons:

- Support high biodiversity
- Help manage fire risk
- Require less energy to create compared to steel, concrete and plastic
- Contribute to the environmental well-being by decarbonising it

*And one of the things about the timber industry is we've got bright future and that extends through the softwood and hardwood byproducts, manufactured product space because we are a renewable regenerative industry, we play a critical role in helping to decarbonise the environment*

- It is a sustainable resource which cannot be said for the major alternatives

*We know that we can sustainably and responsibly manage trees locally and regenerate them on a perpetual basis and get these benefits. The more that we close down those options the more we're relying on less sustainable and more undesirable kind of sources of alternate products to do the job*

- Forestry in NSW is governed by a strong code of practice which means harvesting in 2024 is considerably better controlled and monitored than at any other time where harvesting practices were recorded
  - NSW residents can have confidence in the process

## Native hardwood uses are often not well recognised

One participant commented on how native hardwood is a good energy source and evidenced this by using a situation in Western Australia where Jarrah offcuts were being used, but now due to the stopping of native timber harvesting, it is being replaced by coal that has to be imported. They believe this is much worse for the environment than native timber harvesting.

*Jarrah offcuts because it's such a dense hard timber that produces huge amounts of energy and the absence of being able to access that they are importing coal from Columbia; it's just so perverse*

## Important to control native timber supply

Participants who support the native timber industry believe an often-overlooked argument for the importance of this industry is that while the industry may not be perfect, it is much better than the standards in overseas countries from which Australia is importing timber.



# Native timber industry

Additionally, some KOLs expressed concern about the dangers of having to rely on overseas supply and the lack of control those who need the timber will have as a result. They feel it is unnecessarily risky for Australia to be exposed to the unknowable fluctuations of international timber supply.

*And we can do that sustainably regeneratively in a way that helps to decarbonize our economy or we can in the other universe is we can be at an even greater net importer of wood and timber products where we lose that sovereign capability and we hand over our environmental licence to countries which have weaker environmental records than ours and also puts us at the whim of global trade disruptions and global events*

One KOL who relies on native timber for their profession expressed alarm at how imported native timber can be cheaper than that produced in Australia, which leads them to question if it is produced ethically and sustainably. Their competition is using this type of timber to their advantage in terms of cost in the project, but this KOL believes they are under-costing because they are using timber from non-sustainable and unethical timber sources.

*They are looking at quoting a project now, they are competing against imported hardwood from a country that doesn't have the same rules and regulations - how are they shipping it and bringing it here cheaper? What are they not doing, what are they getting around?*

## Hardwood timber is cheaper, more sustainable and renewable to produce than timber alternatives

KOLs who support the native timber industry discussed its versatility and beauty. One KOL discussed the many projects they work on that use native timber and speculated what the appearance of their projects would be if they could not use this resource. From their perspective, a material like plastic is far more expensive and ultimately is not compostable, making timber a much-preferred choice.

*Range of products: wharf construction, Darling Harbour, public to enjoy. Wharf projects in Victoria. It is so versatile. Goes into so many projects. If they didn't have hardwood, they could use plastic, but the cost is double and the products gets buried into the ground*

## Native forestry in Australia is important and there is agreement about this across all KOLs. Differences emerge over the way native timber harvesting takes place

Nearly all KOLs hold the opinion that it is important for Australia to be able to produce native timber for our own use. The conflict occurs in the way KOLs view how native forestry should be conducted. It is acknowledged there are some who are adamant there should never be any native forestry.

*Most stakeholders in and around the FSC system, everyone is pretty much there because they support forestry and realise that FSC can help be an assurance of good forestry practices. It's not that there is a fundamental concern about forestry, everyone agrees that forestry can occur, and most will agree that it can also occur in native forestry if it's done right. If it's done right there is less risk, less likelihood that you will be dealing with upset stakeholders. It really also depends on the mindset and the silviculture practice that is practiced in these forests. I don't know what that would look like and how harvesting would occur*



# Native timber industry

## Native hardwood is a valuable resource that now is under pressure to cease

Native hardwood up until recently has not had to justify itself as an industry. It has always been available, the interest in using this type of wood has not lessened and demand outstrips supply in Australia, with imports being relied on to fill the gap between what is needed and what can be produced here.

The lack of public conversation some believe has led to its becoming an easy target to discredit and that the native hardwood industry has limited strategies in place to defend itself. KOLs hold similar views around this and struggle to understand the industry's inability to produce strong messaging around its benefits.

*I think part of the issue is that we probably haven't valued them appropriately in that way in the past and that is part of why we have got to where we have now*

## 4.2 Native timber harvesting will end

There are differing opinions about the likelihood of the native timber harvesting's continuing in the State forests. Many of these KOLs in this research want to see harvesting continue. Those who do not, believe the following:

- It is only a matter of time before logging ends in State forests
- Climate change will eventually determine how forestry is managed

*The native forest logging on the public native forest areas in State forests will end in NSW, it's just a matter of time now and how that happens and what the transition's like*

*I think all the forestry and land clearing stuff in the land sector in New South of Australia will end up just being driven by climate targets*

## 4.3 Native forestry rebuild

Many KOLs agree that native timber forestry is important to Australia and no KOL interviewed has the belief that timber should be imported from countries with dubious forestry standards.

One KOL believes there can be a middle ground and rather than public native forestry be forced to stop, all parties work together and find common ground and explore ways the industry can continue. It will require compromise, but it is a better solution than having no public native forestry.

*I do feel like in State forest, a rethink rather than a shutdown. Why can't we have a look at different options instead of belligerently running the ship onto the rock. My way of the highway and it's full throttle onto the rocks they are going, we will not change, you're wrong, we're right. That's what happened in Tassie and Victoria and WA, if you have public opinion going against you, you have to do something to come around and change your way. I don't think forestry has done that*



# Private Native Forestry

## 5 Private Native Forestry

### 5.1 Key opinion leaders

#### 5.1.1 Importance of PNF

KOLs were asked to define private native forestry. The comment below summarises the way the majority of KOLs defined PNF.

*That's just privately owned forests that are not owned by the state, by government, they are private landowners that own a forest and want to have some of their timber harvested for commercial use. That's pretty much what we're looking for to harvest different timber products to service different timber markets*

#### Summary

The reasons why KOLs believe PNF is important are:

- PNF is currently essential to the supply of native hardwood timber. Without it, the supply of native hardwood timber would be severely compromised
- PNF is considered to be of a high standard, with some KOLs believing it is often superior to the timber provided by the Forestry Corporation
- There is a greater ability for PNF to be more flexible and innovative compared to the Forestry Corporation approach
- There is an expectation among KOLs that PNF will become even more important to the supply of hardwood timber if native timber harvesting in the State forests is to be reduced or eliminated
- Sawmills are heavily reliant on the supply of native hardwood from PNF. Purchasing timber this way is of enormous importance to them as they are not locked into contracts and can often request certain species
- Purchasers of hardwood timber from sawmills have complete faith in their mills. They choose ones they believe are ethical, environmentally friendly and knowledgeable, and so it is not their concern where the timber from these sawmills is sourced

#### Findings

#### **PNF is already highly valued and is an integral part of the supply of native hardwood**

PNF has been supplementing the supply of native hardwood in NSW (and Australia) in significant amounts, particularly over recent years. The contributing factors have been the bushfires in 2019-2020, and flooding in 2021 and 2022. Due to these events, there has been pressure placed on the State forests, many of which were affected. There has been high demand for native hardwood, which has led to PNF playing a crucial role in the provision of this resource. Some KOLs feel PNF is supplying close to half the native hardwood that is available for use.

*PNF - when we had bushfires in NSW that was Sept 2019 - March 2020, that knocked the forest industry, slowly getting back then floods March 21, July 22 and then floods again*



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*August 22 - Sept 22. Fires, flood events, took out State forests, if wasn't for private property, the mills would have shut down. They survived from getting it from private forestry, and a bit from the State forests. Without PNF we wouldn't be here*

## PNF hardwood is described as being high quality

The quality of the hardwood presented can vary and for some, the quality from Forestry Corporation is not always as good as it might be. PNF hardwood can often be of a higher quality, with some KOLs seeking it out over that from the Forestry Corporation.

*The quality is always good. Sometimes it is better than State forests. I have heard complaints, got a load of logs in, supposed to be a certain grade and it is below that.*

## PNF can be more flexible, diverse and innovative

One KOL observed that if native hardwood forestry relied only on Forestry Corporation, then the variety of species being offered would be limited. Additionally, the way a landowner will approach their PNF will often bring with it a different set of values, which ultimately will be to the benefit of the industry and environment.

*Private property owners are all a bit different with expectations, different points, trees, totally different entities could never be considered the same because it is bush*

## PNF will become more important if native timber harvesting in the State forests declines or ceases operations

There is agreement among KOLs that if there is continued pressure on the harvesting of hardwood from State forests, then even greater pressure will be placed on the production of hardwood from PNF.

The main concern about this is there will be even more pressure applied to those who have a PNF to supply timber. This approach will only work if the PNF owners are educated and knowledgeable about what is required, why and if they have a forest that is strong enough to supply hardwood.

*As we know we are not able to provide the hardwood timbers already to meet demand and as that market from the public estate shrinks that they are going to be looking more and more to the private estate to fill the gap and what's really important there from my perspective is that private land holders feel knowledgeable and empowered to make the right decision for them when that sort of extra push to see what is available through the private estate happens*

## Sawmills rely on PNF

Sawmills are both strong supporters and users of PNF timber. The reasons given as to why they value PNF timber are:

- It helps regulate their supply if they need some additional timber
- It allows them to get specific species when it has been requested
- They are not contracted to take it which means purchasing it is at their discretion



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- The timber from PNF is an important source of timber and has been so for a long time

*If we're needing particular species or additional volume in a given year that gives us the flexibility whereas the forestry supplier is a contracted supplier which is good, you have certainty. That's like a fixed supply contract and the PNF part makes up a spot market if you like*

*It's really very consistently made a significant portion of our businesses supply for many, many years now, probably a couple of decades, no longer, probably three decades. If you have a market downturn, we're not under any obligation to buy the wood, whereas on the forestry side of it we're contracted to, it's take or pay. Basically, you are going to pay for that wood whether you take it or not. You are kind of locked to that*

## Hardwood timber purchasers trust their sawmill(s)

KOLs in this research who purchase timber were asked about the sawmills they use and if they trusted them. The finding is these KOLs have a high regard for their sawmills. The reason they have faith in their sawmills are:

- There is a belief they meet the standards set for timber in Australia
- The sawmills are often multi-generational family businesses who not only understand quality but also understand the needs of their clients
- The need for certification is not necessary because they know their sawmill is ethical and environmentally conscious
- Sawmills are thought to be discerning about the timber they use; they believe the sawmills know the timber has to be fit for purpose, and that just not any timber should be taken

*Give order to sawmill, have to be specific grade for Aus standards or purpose. Sawmill will know what can go into which order*

*I do not need any extra certification because these are generational mills, family businesses, they know timber, quality, day in and day out and they know what they are looking for. The quality they get from private is sometimes better than forestry supply*

*Sawmills don't just take any log, that defeats the purpose. Got to be fit for purpose. They don't clear fell - that is 50s - 60s*



# Private Native Forestry

## 5.1.2 Concerns for PNF

The role PNF plays in the supply of native timber is highly regarded by KOLs but there are concerns about its ability to cope if there is an increase in the pressure being applied to sourcing hardwood timber.

### Summary

The main issues raised as concerns for PNF are:

- There is not enough quality native timber available through landowners to compensate should State forests no longer be able to harvest
- There is the potential for landowners to be placed under significant pressure to supply hardwood timber despite their forest not being ready for a harvest
- Forestry Corporation will try and move into the PNF space, they are not equipped to do this, and it will lead to higher costs and environmental damage due to the large equipment used
- Smaller mills will close, and bigger mills will struggle to operate, and the industry overall will face difficulties in remaining viable
- Users of PNF timber are questioning their own viability based on their reliance on PNF hardwood timber
- There is not enough information around how much timber is available through PNF which makes it difficult to assess how it will meet the future needs
- There is concern PNF will be worse for the environment as it will not as easily be held accountable by environmental groups
- The PNF code is weak and opaque

### Findings

**PNF will not be able to meet the supply needs if there is a downturn in the supply of timber from Forestry Corporation**

Some KOLs hold strong concerns there are simply not enough trees on PNF to meet demand. Not all KOLs agree with this statement to the same extent, but those who do say they are already experiencing a scarcity in supply, stating they can go on to 10 properties before they find one that can supply high quality timber.

**Significant pressure will be applied to landowners to harvest before they should**

There is concern that pressure will be applied to landowners, particularly by the less scrupulous contractors, to harvest before they should. The impact this will have includes forests being weakened and becoming unhealthy, timber being harvested before it is ready.

**Forestry Corporation will redirect their equipment on to PNF**

One KOL is concerned if the state forests are no longer available for hardwood timber harvesting then Forestry will try to operate in the PNF area. It was their observation that



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when Forestry Corporation tried to do this, their approach was too complicated and not suited to smaller properties. The landowners did not profit and ended up with unneeded but well-constructed roads on their properties. A couple of other KOLs commented that the equipment Forestry Corporation uses are too big, heavy and destructive for smaller land holdings which are 'smaller and softer'.

*State forest when out the back of Kempsey, tried to target private property that went to shit, they had 5 landowners getting them on board, had roading technicians, all that is a cost, landowners only got half the money and they got a massive road put in which was ugly and not needed*

## Smaller mills will have to close and larger mills will struggle to stay in operation

Many KOLs discussed how smaller mills are on the decline with many being forced to close over the past two decades. The concern is if PNF is to be relied upon more to supply hardwood timber, the competition to secure timber will increase, which will place the larger mills in an unfair position as they will be able to manage their costs more efficiently.

These same KOLs also believe the larger mills will also struggle as they will not have enough timber to operate to the same degree as currently.

The bigger implication is that when the smaller, and potentially even larger mills are forced to close or downsize, it makes not just hardwood timber, but softwood timber more expensive because the timber will have much further to go to get to a sawmill.

The lack of or reduction of mills will effectively put an end to the timber industry and is a key concern for many of these KOLs.

## Users of PNF are nervous about its ability to supply enough timber

KOLs who rely on Australian native timber would like some reassurance that PNF can be ongoing and sustainable. Their livelihood depends on PNF and the skills and knowledge the owners of the PNF have and they are seeking certainty it can continue.

*A lot of the bigger companies, some companies down the South Coast are now solely relying on private native forestry as throughput for their mills and they want to see a healthy, regenerative, sustainable private forestry sector*

*Sustainable over the long term because you know these guys bank on being around for a while, so they want to see it done sustainably and then some and other companies rely on significantly more because of the pressures that's coming onto the public estate as well*

## It is difficult to assess if PNF can meet the demand for native hardwood as there has been little surveying of the volume that available

One participant is concerned the information about available timber via PNF is not quantified, which makes predicting its future potential questionable

*We know that NSW in particular has high amount of potential for this and the amount of native forests that is in private ownership that has some potential but compared to*



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*the public forest estate there is relatively little understanding about what that potential resource actually looks like*

**Environmental groups will not have access to PNF data which raises concerns about the environmental well-being on private properties**

KOLs concerned about the impact of native forestry on the environment hold deep concerns about their ability to monitor what takes place on private property. Their gravest concern is that an increase in PNF could lead to a worse scenario than is seen in the State forests.

*..the weakness of the regulatory framework and transparency data PNF means that's where the holders and the contractors and the mills will go and no one will know it will happen and you don't get logging campaigners and NGOs like us and ecologists access land because it's private as opposed to public forest so it's a big black box and it could get worse*

**The PNF code is weak and opaque which is a result of the previous governments approach.**

The PNF code concerns some KOLs because it is not clearly defined. The 'weakness' and the 'opaqueness' of the plan is thought to have been the responsibility of the previous state government. It is thought the current state government is better focussed on 'transparency'

*The PNF code is really weak from our point of view and it's ... it's opaque ... not transparent so with Labor governments they are particularly concerned about transparency and data and accessibility and open government. This is like a protected old nationals-run system that the current Government has inherited*



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## 5.1.3 PNF plan application process

The description of a PNF plan was provided by one KOL as:

*It just gives us access to private timber on private land under the Private Native Forest Act, or whatever they want to call it. To do that we've got to apply for a Private Native Forest plan, to get an approval*

### Summary

The application process for a PNF plan is straightforward for those with knowledge, difficult for those who have not, and can have unfortunate delays due to administrative issue with LLS.

The main points raised for applying for a PNF plan are:

- Knowledge about how to make an application is critical
- There is a series of steps that need to be followed
- The application process can be straightforward and simple so long as the forest meets the requirements
- It can take time to get an approval from LLS for the PNF plan and the forestry management documentation
- LLS can sometimes overcomplicate the process, often due to the lack of understanding about a property and what is required for the plan to be approved

### Findings

KOLs were asked to consider the issues around a PNF plan, what they knew about it, and is it easy or difficult to obtain.

**The ease of obtaining a PNF plan depends on how much knowledge or experience the individual has.**

The ease of obtaining a PNF plan depends on how much knowledge an individual has about making the application. It is thought most landowners will find the process complicated, but contractors who are in the business of harvesting landowners' properties know how to do this and find the process relatively straightforward.

*It's not very onerous at all. As far as a landowner that wants to get their property harvested they have got to go to Land Services and get an approval done, that's a pretty simple process, it's not that difficult. For a landowner off their own bat to do it themselves that could be someone that is a bit green in the area that they don't really know what they're doing, maybe. That's what we do, we'll take over and say, if you like we'll do all the paperwork for you. When you look at it like that, XXX has done heaps of them now, it's easy when you know what you're doing. For a landowner that has never done it before it may be a bit daunting*

*They don't know what a basal area and standard tree height and all that sort of thing*



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The process of applying for a PNF follows a series of steps.

One contractor described in detail the process of applying for a PNF plan for one of their customers. Contractors will make the application on behalf of their customer when the customer feels they lack the knowledge about the process. Contractors are willing to make the application on the behalf of their customer because then they know there will be less issues and problems along the way.

The process as described by this contractor is as follows:

- A PNF plan is straightforward and the process is easy to follow. Local Land Services are the agency that needs to be approached and is the one which approves the plan
- When a PNF plan is approved, it is valid for 15 years
- Once the plan is approved, the landowner can then apply for a harvest which requires them to secure a commencement notification
  - The month the harvest is intended to commence is provided
  - The forestry management documentation is approved and then the harvest can begin

The PNF plan can be straightforward and simple and its rules are for those who understand the process 'easy'

*PNF is simple - getting approval as long as the land meets the requirements and it is zoned rural, zone 1 and zone 2, it is easy to get the approval. It has to meet the size requirements. You sign up to say we can cut timber commercially over the time of the approval so long as you don't contravene the code of practice. Contractor signs that as well. Code of practice sets the scene, for the forest to be managed appropriately*

The main limitation for applying for a PNF can be the length of time it takes for LLS to approve the plan and the forestry management documentation.

Feedback from one KOL stated that it can take up to 6 months for a PNF plan to be approved. They believe this is longer than it has taken in the past and finds it frustrating because it slows the process down and makes it difficult for all involved to make plans.

*Just lately sometimes it has been drawn out a long time. If a landholder is applying for a new Private Native Forest plan, from scratch, I've been told it can take three to six months*

*I've whinged about it to a few LLS people and that it is a pain in the backside, but they promised me things would improve but I haven't seen things improve*

The forestry management plan stage can also create an issue according to one KOL. They feel it sometimes takes LLS longer than it should to approve this part of the process. Their main contention is around the maps they submit and the maps LLS want to be used. They feel LLS's maps are confusing and too complicated.

*Originally you get a PNF plan that just says the property has been approved, you get a map, this is the area you want to harvest but then to start harvesting you have to put in a form saying that I'm going to commence next month. With that you've got to put in a FMP, Forest Management Plan, a dozen or so pages, ticking boxes and explaining where you're going to log, the state of the land and a few other issues, you've got to*



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*write in about your roads, where your dumps are. You send all that in, I send in maps saying where my roads are going to be, dumps are going to be, any crossings like culverts or bridges, whatever and then they say to me, we can't accept your maps you've got to fill out our maps so then there is this thing of sending out maps again and to fill in there is an infrastructure map and a harvest map*

This contractor finds this aspect of the process the most limiting because they often find it difficult to then meet the timeframe to do the work that is stated in the documentation

- There are many obstacles such as weather, other jobs taking longer/shorter to complete or a range of other issues that can occur
- This contractor would like the documents to be valid for a longer period of time

*I want to log in four weeks' time and then it just drags on and on because I'm waiting on the forest management plan, even though we've got everything else, it said we've got a licence to log, the real issue is you're not supposed to start until you get approval on a forest management plan*

## LLS will overcomplicate or even misread the information presented to them

Feedback provided suggested LLS can overcomplicate an application but this often comes down to LLS not understanding the property or thinking aspects should be included that are irrelevant to the application

*I've had some, no roads and no dumps within the area to harvest so that means your roads can't be audited because they're out in the pasture, it is nothing to do with the actual plan. I said it's so simple, there is nothing to do and for you to check, we end up with tossing and throwing and it gives me the shits*



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## 5.1.4 Contractors

### Summary

#### Positive comments

- The most important role a contractor can have is a productive and professional relationship with the landowner to ensure that good PNF practices will occur
- The value a good contractor brings to the landowner is knowledge, education, future planning, forest management and sustainability
- There are multiple reasons why landowners need contractors to harvest their PNF which include needing money for a specific purpose, when there is a downturn in their other income streams, they are committed to regular harvesting, or because they are uncertain about the future of PNF and decide to harvest now while they can
- Good contractors want honest equitable relationships with their customers
- There are multiple ways contractors make contact with their customers which include an ongoing relationship, word of mouth, Google, working on a neighbour's property, letter box drops and cold calling

#### Concerns about contractors

- Not all contractors operate in a professional or scrupulous way. Some are thought to have only their financial gain in mind, are not thinking about the future of the forest and they practice what is referred to as 'high grading', where only the valuable timber is taken away and the inferior trees are left behind
- Some KOLs suggested there could be ways to combat rogue operators which include not allowing for another harvest on a recently harvested forest, stronger enforcement of the post-harvest management plan, sawmills to be more discerning about which contractors they accept timber from and landowners having better understanding of the harvesting process

#### Suggestion

- A tightening of the PNF plan be introduced which extends from the amount of timber which can be harvested to include the mix of timber that can be taken from the forest

### Findings

The feedback from KOLs who work as or with contractors believe that most contractors are honest and want a healthy working relationship, but some KOLs believe there are rogue contractors which need to be identified and prevented from operating.

**The most important aspect of PNF is working with the landowner to ensure there is trust and mutual respect.**

Working with the landowners is an important part of securing the PNF plan but for this process to take place the contractor needs to create a relationship where there is trust and mutual respect between both parties. KOLs interviewed who have some insights into this process believe the only way the industry and the PNFs will survive is for contractors to be



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scrupulous, honest and have the best interests of the landowner and the forest in mind, rather than their profit.

The first stage, after contact has been made with an agreeable landowner to harvest their forest, is to survey the property, look at the different species and make some assessment of what the forest might be worth.

The contractors take the time to explain what species are in the forest, what is reasonable to take, and what is unreasonable. They explain the importance of keeping good quality trees (not harvest just the best) and the importance of biodiversity and regeneration.

The next step is the price agreement which often will come down to the distance to the mills; transportation is expensive. Also built into the cost is the ease of access to the forest.

The agreed price is based on the cubic metre. The contractor offers the price and the landowner can agree or not.

KOLs familiar with this process stated it is the contractor's responsibility to be honest, upfront and not take advantage of the landowner's lack of knowledge about the process. The landowner needs to be involved in the process and the relationship between them has to be honest and truthful.

It is a frustration within the industry that contractors are not always operating in a credible and honest way. It is painful to contractors in the industry who believe they are operating ethically to lose business to those who are not.

**The value a good contractor brings to the landowner is knowledge, education, future planning, forest management and sustainability.**

KOLs believe there are many ways a landowner can benefit from having an ethical contractor harvest their forest. From a contractor's point of view, engaging with a landowner in a responsible way ensures there will be forests available in the future, so both parties benefit. It should in their opinion be a mutually beneficial relationship.

The ways a contractor can benefit the landowner include:

- Taking care of all the paperwork, explaining the responsibilities of having a PNF plan, such as maintaining the forest, and ensuring the landowner fully understands what is being undertaken

*I process the paperwork for the ones I deal with, they sign a bit of paper, I say do you want me to do it, yes please because we don't fully understand it. I do explain to them that once we've finished your name is on the PNF, you have to take a bit of responsibility maintaining the plan*

- Having a relationship with a contractor means the landowner can feel secure in knowing the contractor will keep in touch and be someone they can trust to help them with their forest in the future years

*A lot of the smaller landholders they just see a one-off benefit whereas I always try and build a relationship whether I'm not here in five years' time but whoever is here*



# Private Native Forestry

*they will have all the paperwork here in boxes and they can go back and chase these people up, which is what I'm doing now*

- It is important to think about the forest not just for the immediate financial rewards, but to help them understand the importance of thinking about their future and the role their PNF can play in it. They want to encourage the landowner to think long-term, not for the immediate benefits

*The country just grows trees, it doesn't grow much grass, but it grows a lot of trees. That's why I encourage farmers, I'm also thinking of resource for the future*

- Managing a PNF requires skill, consistency and vision. Many landowners do not possess these qualities but would like a healthy forest. A contractor who can offer their services to manage a PNF on the landowner's behalf not just builds a relationship, but also ensures the forest is well managed, which is ultimately to the mutual benefit of both parties

*There are some that do have that type of background, but the vast majority of private owners look towards people like ourselves and others that are going to manage it on their behalf. That's part of for want of a better word, a sales pitch of ours, to help a private owner look after their forest. We'll come in and help them manage it. Not just through timber harvesting, sometimes through buyer management and a few other things*

*Yes, we attempt to have a couple of private owners that we've had on the books for want of a better word, we've done about two or three harvests over the last 15 to 20 years. You go into the forest, you do a harvest, you look to manage it, you look after it, you might put a fire through it, they know and we know that we're going to go back in five to ten years and go through again and do another harvest. That's what we try to call managing the forest in a sustainable way*

**There are multiple reasons why landowners who have a PNF decided to harvest. There is a common belief that many landowners are motivated to harvest when they have a specific financial need.**

KOLs feel there are few reasons why landowners will agree to having their forest harvested. The main ones are:

- They need money for personal reasons; an example was given of a landowner whose wife needed an operation
- There could be a downturn in the markets of their other products, beef cattle was mentioned several times, and harvesting will provide some income until better conditions return
- The landowner is committed to managing their forest, view it as another regular income source and will manage it accordingly, so continues to grow quality timber for it to be available for harvesting in the future
- Cynical about the future of being able to harvest their forest so they will harvest now and reap the benefits which may not be available in the future. They feel there will be ongoing government and/or political interference



# Private Native Forestry

**It is optimal for both the contractor and landowner to have an honest relationship where both mutually benefit.**

Contractors involved in this research believe the PNF is in a healthy place. They believe their customers are well-informed and are included in the decision-making process about how their forest will be harvested and managed.

Contractors understand they need to explain all parts of the process of a harvest, from securing the PNF plan (if there is not one) to the approach of the harvest, the harvest and its aftermath and then the management of the forest.

Spending time in the forest of the landowner is a critical part of the process. It is essential the species are identified, the health of the forest assessed and the explanation as to why all the trees cannot be harvested, an important concept to impart. Equally important is explaining why their forest might not be ready for a harvest, providing a management plan for their forest and giving an estimation as to when it might be ready.

*A landholder might ring me or it might be word of mouth or we could be logging next door, they'll say will you come and have a look and see what value we've got. I might go and visit the block for a day or two or do some walking or drive around on the buggy and do some measurements and if I can see what they call the basal area or cubic metres per hectare is fairly high or if the forest is fairly thick, you can say it needs a bit of a thinning, there are just too many stems per hectare or you've got a lot of older trees that are suffering from insect attack or dying, I'll suggest to the farmer that we could do a thinning through here to improve your forest*

*I've had some paddocks where it is just a lot of regrowth and I'll say no, you probably want to leave it for another ten years because the logs aren't big enough*

Preparing the landowner for the shape the forest will be left in after a harvest is vital because all admit the image can be unsettling. Helping the landowner understand that this is a temporary situation, regrowth will occur and in the near future, the forest will be growing and regenerating. The emphasis is that it may be at least 15-20 years before another harvest can occur.

Negotiating a price with the landowner is one of the most important aspects of the process. Unscrupulous contractors will not be honest with the landowner about the value of the timber and many KOLs discussed how these contractors have unfairly benefited financially through deception. The good contractors do not do this. They believe they are fair with the deal they make with the landowner.

**Landowners mostly find their contractors via these options: an established relationship, word of mouth, Google, working on a neighbouring property, letter box drops and cold calling.**

There are a multitude of ways landowners will contact a contractor. The simplest option is when there is an existing relationship with the contractor with whom they are in regular contact (they may be managing their forest) or they have set agreements in place as to when the forest will be inspected for a potential harvest.



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Word of mouth is common; landowners will be thinking about harvesting their forest and will ask people they know if they could recommend a contractor.

Google is used when a landowner has no connections with others and will choose a contractor via their Google search.

Many referrals come when a contractor works on a property. A neighbour may notice what they are doing and in the process ask them to come and look at their property and make an assessment about their forest.

Contractors will often do a letterbox drop when they are in the area which might result in locals in that area contacting them.

Contractors when are working in an area may also approach local properties with the view to speaking with the landowner to see if they have an interest in harvesting timber. This can be met with interest, lack of interest, and outright rejection.

*Some people will Google search and then they will find us and then give us a phone call, there is that type of person. A big proportion is word of mouth. You will have a property owner that will have a timber harvest, one way or another we'll do a job for a property owner and then the neighbour will hear about it, or the neighbour's neighbour will hear about it because we do a good job, they will say those guys are trustworthy. That is a big part of it, is the trust relationship*

*We also do things like letterbox drops if we're going down the road, a piece of country that we haven't been in for a while we'll put a letterbox drop out and let them know that we're in the area and would they be interested and all those types of marketing tools that we use*

*That's right, you've got to find a way to get in touch with the people. Sometimes it's that cold calling that is almost driving up the driveway and knocking on the door*

**Not all contractors operate in a professional or scrupulous way. Some take only the valuable timber, and some have only their financial gain in mind and not that of the landowner and the ability of the harvested forest to thrive in the future.**

There were many criticisms made of the way some contractors conduct themselves in the way they approach PNF. The main criticisms are:

- Some contractors only take the valuable timber and leave behind inferior timber which is a process known as 'high grading'

*What tends to happen is a contractor will come out if there is an opportunity to pull out the most valuable timber, of course they will, because that's how you make the most dollars. What you end up is, next time someone comes back because you've taken out the good trees and left all the poor ones, the next growth of trees is not as good as what was there originally. That's called high grading*

- Contractors who do this are only interested in making money and are not thinking about the future health of that forest and the next growth of trees cannot be as robust because the forest has been weakened

*Some have had a history of harvesting and unfortunately the rule set, you're allowed to harvest these trees, but you must leave a certain amount of standing volume on a*



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*given hectare. Typically, what that leads to is the extraction of a lot of the good quality timber and then to meet the retention requirements you're leaving behind all the low-quality trees and that becomes the basis for the future forest. If you can come back to that in 10- or 20-years' time you may have no good quality timber standing for that next cutting cycle because it was all removed and the stems that were left are poor and there is no room for new trees to come up, so that's what you've got*

- Many have observed high-grading and believe it is the biggest problem that forest regeneration faces. It is believed it can occur because the code does not stop it from happening

*I think high grading is the biggest one. The code doesn't protect, the rules don't protect against high grading. They say there is nothing in the rules that you can't take the best tree and leave the worst one. Over the years you just get a forest full of the worst ones. With eucalypts those sub dominant trees, and the suppressed trees will never be back, the big, glorious trees that you want in the forest.*

*Imagine it in a cattle yard if someone came in and took your best breeders, paid you half of what they were worth and broke the legs of the ones that they left. It's a little bit like that, it's been like that over the years*

**Suggestions for improvement around contractor behaviour focusses on preventing with the view to eliminate unethical behaviour.**

One suggestion made by some KOLs in this research is to eliminate the possibility of high grading by not allowing a property whose forest has been harvested to then allow another contractor to follow and convince the landowner it is possible for more trees to be harvested

Another suggestion made was to create and monitor the post-harvest plan of a recently harvested forest to make sure it lives up to the values required of the PNF plan. A particular focus needs to be on when it would be reasonable for the next harvest to occur.

Sawmills can also play a role in limiting the profits of contractors they do not have faith in by simply not buying their timber.

*The only way I see is mills have to stop buying off them, landholders have to stop using them. What they do is promise big money and that's fine for a few loads, like I said before, then all of a sudden there are changes*

Landowners can also play an important role in eradicating contractors who are operating for self-gain rather than for the benefit of landowners, the forest and lastly themselves. It is easy for a contractor to be misleading when the landowner has limited knowledge. They can underquote the price per cubic metre, overestimate the cost of fixing the roads on the property and/or transportation costs, and how they will harvest the forest. The landowners need to educate themselves on best practice and be across the processes and pricing.

*There's lack of clarity around pricing, well not lack of clarity, lack of transparency I suppose around pricing and logs and what the value of their trees actually is*

*That way if you're talking to a harvest company, they would say, we'll give \$15 or \$20 a cubic metre where it is probably worth three or four times that, it adds value back to the private native forest grower*



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*Nice paddock of timber you got here what if I come in and get a couple of truck loads out, I probably give you \$15,000 for that and the landowner used to selling cattle would say \$15,000 yeah my daughter is getting married in July that would help pay for the wedding yeah good. But the landowner has no idea of what the timber is worth, it could be \$150,000*

**A limitation of the code is it describes how much timber can be removed, but it is not mindful of the biodiversity and the mix of species, which allows contractors to legitimately be within the rules but at a great cost to the forest.**

There was feedback given about the how the PNF plan currently puts parameters on the amount of timber but not the mix of genetics and species. This means a contractor can take the best timber and leave inferior trees rather than make sure there is an appropriate level of species and varieties left in the forest. There is a feeling this should be addressed to ensure contractors will be more environmentally conscious and more considerate of how the forest will present in the future.

*The code doesn't really stop that. It tells you how much wood you can take but it doesn't say that you have to be mindful of the genetics and mindful of species mix and those types of things. Maybe it does to some extent, but it is not really applied*



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## 5.1.5 PNF management

KOLs were asked if they thought the forests in Australia including PNF were in good condition and were managed well.

### Summary

- Many KOLS believe Australia leads the way in the world for how forestry is conducted
- KOLs who support native hardwood forestry in Australia feel the public are not provided with enough information about forestry practices and as a result have a negative opinion about it
- There is variation in how PNFs are managed
- It is important to be able to distinguish between a healthy forest and an unhealthy forest in order to know how to manage it properly
- The guidelines around creating a healthy forest should be accessible, easy to understand and straightforward to implement

### Findings

**Many KOLs in this research feel the quality and standard of forestry in Australia is of a world class standard particularly when it is compared to overseas practices.**

KOLs who support native hardwood forestry believe the forestry practices in Australia are heavily regulated and based on scientific evidence.

*When you look at the science of all the practices the regulations, the rule sets that are around timber harvesting and on ground they have been developed and built up overtime and adapted over time based on scientific input and expertise and really based on the evidence of what is needed to support healthy resilient forest systems*

**KOLs who support native hardwood forestry believe the public is not always provided access to information about forestry practices**

These KOLs believe the public are not adequately informed about the approach to forestry in Australia and as a result do not fully appreciate or understand the lengths that are taken to ensure forestry practices are sustainable.

*I think it is and can be environmentally and socially sustainable there has been a bit of a disconnect or a gap between the community perceptions and engagement and involvement that sort of gets the broader community on board with actually what's happening in the forest*

**There is variation in how PNFs are managed**

**Forest management on private forests - how to improve how they are managed**

KOLs believe there is considerable variation in how PNFs are managed across NSW.

Some KOLs know of PNFs that are well managed; some of the characteristics they use to determine if it is well managed focus on landowner attitudes which include:



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- Landowners being well educated in forestry practices
- Landowners view forestry as part of their core business; they have a vested interest in managing the process well

Another group of landowners has a completely different view to those who want or have a productive forest. These landowners want to protect their forests for conservation reasons. There is recognition these landowners are paid for conserving their forest

*Conservation areas, they turned it into a little mini conservation area. A fairly militant greenie people that would do that, but they also get a wad of money from the government to do it*

The last group is landowners not engaged in forestry know little about it and do not see it as part of their property portfolio

**Forest health is important, and it is important for landowners to understand what the appearance of a healthy forest is.**

- Forest health is important. Those with knowledge know exactly what they are looking at and can decide what is a healthy and what is an unhealthy forest. Having this skill to detect forest health means the way the forest is managed will be appropriate. Many KOLs feel landowners are not equipped to make decisions about their forest because they lack the skills to make an assessment

*I just spend two days up in the Tablelands and there is a lot of untouched country up there that hasn't been logged for 30 years and it's in, what I'd call in need of a harvest. You've got a lot of trees that have got dying tips in them, they are all just crowded in and they have their crown touching another crown because it rubs the tips off the branches*

**Landowners need to have a good understanding of acceptable harvesting practices and be able to manage their contractor.**

KOLs feel the landowners need to be better educated about forestry and harvesting practices. They need to be able to prevent contractors from making poor decisions about their forest, to ensure a healthy forest for later harvesting. The quote below is a KOL describing the way a landowner manages their forest and this KOL wishes more landowners could be this informed.

*They let you come in and take x amount, but they set aside a certain area and say, no you can't go in there, because we've got nice big trees, they want to keep that area. They say you can thin over there, but you can only take a certain size because we want to be able to come back in five years and you can take some more. They see the value of the environmental side keeping clumps of big old trees that their father kept, so they keep them. I said that's fine because they are big old trees, there is no reason because big old trees are taking up all the space. Where their father has logged, they had a sawmill there back in the 60s, they see all those values. They see the environmental value, the value of the timber and they run cattle under it too. That's their values*



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There should be easy to understand guidelines about how to create a healthy forest which includes rationale for good practices.

KOLs who understand forestry discussed the aspects of forestry management that should be considered in any forest. The ones raised in these discussions include:

- The forest is surveyed for biodiversity before the harvest to ensure its integrity can be maintained post-harvest
- Animal habitats are considered and respected
- No high grading
- Regular burning to control weeds and pests

*They burn regularly, which a lot of people don't do. They see the value in burning to keep out the lantana and all that sort of stuff and that promotes a lot of native grasses, to me they're switched on*

- Thinning the forest which will take the weaker trees out and allow the stronger ones to grow, thicken, improve in quality and be more productive

*One of the big problems we have, especially private native forest is what called over stocking. That's where you basically have too many trees. Good forestry will come through and thin the trees out and that will allow sunlight down to the forest floor, it will remove some of the competition between the trees and they will grow, bigger, faster and healthier*

*I just tell the farmer, I call it a reset which is not really the right word, but we go through and target the weaker trees with lower value, but you'll have a better return down the track, maybe not for you but for the kids, there is a lot of bush around here like that*

- Selective harvesting practices are applied to ensure a diverse range of species and trees are maintained within the forest
- Lower grade wood can and should be sold for other purposes such as wood chips or firewood. It might be revenue neutral but should not be left behind
  - KOLs discussed that due to the closure of small local mills there is a short of mill capacity and it has become expensive to take the lower quality timber away
  - If they do remove them then the cost of getting them to the sawmill and made into woodchips or firewood makes the end product too expensive
- Leave a number of strong trees in the forest so when it regenerates there will be an improvement in forest quality, health and vitality

*Even when I'm logging I'll see a value in a tree and I'll say we shouldn't fell that tree, that's a good seed tree, it's healthy looking, lets log these others, let's keep him, he'll be the seed source for later on. I do a bit of that; I don't know whether other people do it*

- The canopy being opened will allow post-harvest for the new growth to come through and thrive



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- The forest is well managed post-harvest to ensure it has the best chance to grow and produce quality timber. A landowner cannot just rely on regeneration to ensure that the right species and quality of trees will regenerate appropriately
- Many KOLs believe there is a high proportion of landowners who do not understand their responsibilities once there has been a harvest, which ultimately leads to a poorer standard of forest once the harvest has taken place

*Landholders don't understand PNF, 90 percent of them don't understand their requirements when they hold a PNF. They don't understand they've got to promote growth, for the life of the PNF for 15 years you've got to maintain drainage and other certain things on all your tracks and those sorts of things. They rely on us. Once we leave it's your baby. A lot of them don't do nothing*



# Private Native Forestry

## 5.1.6 Benefits of PNF

KOLs were asked to consider the benefits of PNF. This is different to the importance of PNF which was asked earlier; the benefits are considered by some to be broader than simply the landowner making money through the sale of their timber.

### Summary

- Some KOLs believe there are significant environmental benefits for landowners owning and managing a PNF, including improvement to water, soil, restoration of land degraded through neglect and improving the species available necessary for a healthy forest
- Harvesting requires adequate roads on the property; some feel these often are improved when there is a harvest which then allows for better fire protection and access to combat weeds
- The benefits of PNF extend beyond the immediate financial benefit to the landowner, but also includes those in the community associated with this industry such as those employed by sawmills, their families and the extended community
- PNF allows for greater flexibility about what is to be grown. It allows the farmer to experiment and have the freedom to choose what they grow and when
- The products such as power poles that are created from native hardwood timber are thought to be far superior economically and environmentally than alternatives such as concrete and plastic
- PNF benefits the broader local community

### Findings

**PNF is believed by some KOLs to provide significant environmental benefits to the local and immediate environment.**

PNF through good forestry management is thought by some to be a way a landowner can improve the health of not just their forest, but for their whole property as well.

*understanding the way that forest management and restoration can actually bring positive benefits for water, soil and other things to their property. Whilst also generating some income for them*

*I sort of hope that with some of this new focus on nature repair as well with the Federal legislation and all that would start to see some support into this space as well because we know that a lot of the forest on private land has been degraded over time through mismanagement or other disturbances so there is a huge potential to use forestry practices to actually restore the condition of forests that are being degraded whilst also providing us sustainable source of timber products as well*

**PNF can have additional structural benefits for landowners. Benefits are better access to their property which creates firebreaks and also helps with managing weeds and pests.**

Often a forest on a property is located in a remote area and difficult to access. One of the positive outcomes of harvesting native timber for the landowner is that their internal roads might need to be improved. Improving the roads leads to better access to parts of their



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property which in turn means they have created a firebreak and they will be able to manage weeds and pests better.

**PNF provides financial benefits for the landowner, but it also helps diversify their income.**

Some KOLs discussed how PNF can bring diversity to what they produce on their property. Being reliant on crops or animals is a traditional pathway, but some KOLs feel landowners should consider having more options and PNF is an option that can help balance their income and also add value to their property.

**PNF benefits goes beyond the individual landowner, with many feeling entire communities benefit either directly or indirectly**

Many KOLs spoke of the flow-on impact PNF has on communities. PNF ensures there is a supply of native timber which is in high demand. In order for the end user to receive their timber it may have involved a contractor, a sawmill, a certifier, a buyer and a seller. In the local communities, those who work in these industries have families, make purchases, and use local services. Without PNF and the broader industry, people will move away, and these options will decline. Some KOLs have seen other areas where there has been a decline in forestry and the outcome was acute.

*Very early on in my career, there was the North Queensland, the wet cropping, the lockout, the forest industry up there was shut down. There were all these incredible promises that there is going to be another 5,000 jobs made in tourism and there will be so much money flowing into your community, all this sort of crap. I was up in Ravenshoe a little while ago, I spent a bit of time, I met both jobs, two of them. One was a park ranger, and the other one was a bus driver. I was doing my own, not formal research, they said the whole town collapsed and everyone left. They've still got a small sawmill up there processing a little bit of plantation wood but not what it was*

**PNF helps to diversity the range of species grown**

Landowners are thought to have an interest in developing and diversifying their forest and have a greater capability to experiment with species or approaches than a forest run by government. They are not always focused on meeting a KPI and because it is their property, they can have alternative approaches which in turn, helps to create diversity among what is grown and choices are made depending on what their circumstances, philosophy or property characteristics are.

*But what the private sector can bring is finance so the Government doesn't have to do it. It can bring innovation so we can do different silviculture treatments. We have a couple of treatments that we use on public forests, but if you are a farmer you're going to try a whole raft of different things and you'll say actually I can do this if I want to manage my forest for multiple benefits for say conservation biodiversity, I want to reduce the fire hazard but I do want to have some really high quality trees that I can harvest at some point if I want to then how do I ensure that I have a good quality forest*



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The products native timber creates are environmentally friendlier than the alternatives such as concrete and plastic.

The consistent feedback from many KOLs is the uses of native timber are far preferred to the alternatives or substitutes. The common example given is power poles; power poles are predominantly hardwood timber. The only feasible alternative would be concrete poles which are thought to be not just considerably more expensive but are arguably more detrimental to the environment. Plastic was never described as a preferred alternative.

*I know the costs of a concrete pole are three or four times more expensive than timber and again will end up on yours and my power bill, I'm flat out paying it now*

*Our landscape grows really, really good poles organic free-range chemical free they just do it on their own and a lot of these poles come off private property, it's an absolute critical resource and if we don't get them off private property and we don't get them from State forests then we won't be using timber we'll be using concrete with a limited lifespan and a huge carbon footprint*

*I suppose it's strictly true that we don't need it, you can use concrete or steel or plastic in place of it, you can use engineered wood products from softwood and pine and other things. No it's not strictly needed but from my perspective our native hardwood timbers are the only purely organic natural renewable material that we have*

## PNF helps to support local communities

The benefits of PNF also extend to local communities according to some KOLs. Growing timber touches many in the community; the landowner, the contractor, local sawmill and all those who also benefit such as shops, schools, local entertainment.

*There are environmental benefits because you're definitely improving forest health, no doubt about that at all. You've got the economic factors in that if you're boosting productivity it's more revenue back to the landowner and you continue to supply high quality logs to sawmills which again is supporting employment in local communities. I don't think there is any downside to it whatsoever. The only people who wouldn't be happy are those who don't like forestry, there are some out there*



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## 5.1.7 Roadblocks

KOLs have a range of issues or roadblocks for PNF to manage the increased pressure that would be placed on it if native forestry can no longer take place in State forests. The list put forward is extensive, with most KOLs believing there are many obstacles in the way.

### Summary

#### Big picture issues

- PNF dependency will occur in the future if there is a minimum 20-25-year plan in place to withdraw native forestry harvesting from State forests
- Political pressure rather than problem-solving is impacting native timber forestry in the State forests
- There is concern that the landowners will not want to have the same level of scrutiny by the EPA that Forestry Corporation currently is subject to

#### Landowners

- Small landowners do not have enough timber for harvesting to be economically viable
- The lack of awareness of or interest in PNF is stopping some landowners from managing their forest so it can be harvested
- A great deal of information, knowledge and help is required to pursue a PNF and this level of detail might be holding landowners back from contemplating PNF
- Multigenerational properties are declining, and blocks of land being sold are smaller.
  - New buyers might be those who want to harvest immediately for financial gain and those who will never harvest
- The government owns the best timber-harvesting land; landowners are left to manage poorer quality areas, which have often been managed inadequately
- Landowners need basic information about how to manage their PNF. Currently the lack of knowledge is preventing PNF from being viable

#### Limitations of PNF

- Many PNFs are in a poor condition and need to be 're-set'
- It is expensive to grow a PNF
- Local sawmills are being forced to close down, which increases the cost of harvesting. Poorer wood is not economically viable, so it is not being utilised
- There is no available way to check for the industry pricing for the cost per cubic metre of timber. Landowners cannot evaluate if they have received a fair price for their timber

#### Government

- There is concern there will be increased government interference with PNF



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- Native forestry is a topic of public discussion. Some KOLs feel landowners are keen to remove their forests now because they believe there will be an unacceptable level of government intervention in the future
- Currently government is perceived as having a negative and rule-bound approach to PNF which is limiting interest in PNF
- Dual consent which includes permission from both LLS and a local council can complicate the process of administering a PNF plan

## Contractors

- Contractors have not always had the best reputation creating reluctance in some landowners to harvest their PNF

## Koalas

- Koalas and their loss of habitat are being used as a means of influencing the public against forestry. This creates uncertainty among landowners about the long-term future of PNF and frustrates many because they do not believe the truth of the assertion of koala extinction
- Landowners will resist reporting koalas on their property out of fear of not being able to harvest or having to make some other sacrifices which will be costly to them to manage

## Alternative options

- Each landowner will place a value on their forest. There are now alternatives to PNF such as carbon markets diversity options and if these gain more traction, there could be less timber available through PNF
- Alternatives to hardwoods are being used more by builders, particularly for flooring

## Feedback

KOLs were asked to consider what the roadblocks might be to allow PNF to thrive in NSW.

KOLs have contributed a considerable amount of feedback about the roadblocks they see to PNF thriving and being a stronger and more viable resource for private native timber supply.

**PNF needs time to evolve if it is to be capable of supplying more native timber.**

Some KOLs discussed their understanding about the future for State forests and the push for it not to supply native timber. They feel if this occurs then a long-term plans to cultivate a mindset and a planting regime by landowners needs to be put in place. Some feel it would be impractical and unrealistic to close the State forests for the next 20 -25 years.

*If you wanted to say we will do this for a period of 20 years or 25 years and then it is up to you the industry to encourage the private sector to be part of it because we are going to make a decision on behalf of the community that we want to put these in National Parks or whatever*



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## Political pressure is being applied rather than problem solving.

There is concern for many KOLs that the political pressure to close harvesting in State forests has momentum. They are disappointed by this as they believe a far better outcome can come from a collective observation by those invested in this industry with the view to problem-solving rather than closing the industry.

*There has been a little bit too much political pressure applied all the time to solve problems rather than thinking about how do we actually grow the industry*

## PNF is challenging for smaller landowners due to the economies of scale required to be profitable

One of the limitations of PNF that was identified is that many of the landowners are on smaller properties and while they may have some available timber, it is not enough to make it financially viable for them.

*It's really difficult unless you are already part of a kind of connected group to understand pathways if you wanted to harvest and sell timber on how to do that and have an economy of scale or make it worthwhile*

## Many PNFs need to be professionally 're-set' as they have been subject to poor forestry for too long.

KOLs who work closely with PNFs agreed there are many PNFs that have been subjected to poor forestry practices. They have been high graded which has left them weakened and their future will be even poorer, because of their current condition. These PNFs need to be re-set, which is achievable so long as it is carried out properly. Re-setting the forests is what needs to occur, but it will take considerable time and management to produce a healthy forest in the future.

*high graded so they've taken all the good quality trees out and you've been left with a very poor ones, which means that if you reset that forest which you can do it's a great thing about forestry you can do it*

## It is expensive to grow hardwood, harvest and saw trees.

Growing a PNF incurs many costs which include the management of the forest and then the process leading to and including harvesting. Harvesting is not a regular occurrence which means the financial rewards are spread out but in the meantime managing the forest for weeds and pests, thinning, and creating forest health take time, energy and money. Similarly the sawmills have major expenses to keep in business.

*We've put together machinery from all as old as the hills and that is the bit that's being, a lot of those mills got restructure money and got state of the art machinery and kilns and things. It is a huge investment for sawmill and that's what I'm saying, you wouldn't go into lightly*

## Harvesting with the view to re-purpose the land for other uses

A KOL is concerned that landowners will decide their forest will create more problems than it is worth and decide to harvest and re-purpose their land for other uses such as livestock.



# Private Native Forestry

**Harvesting because the landowner believes it might be their only opportunity to benefit economically as they anticipate future government interference with what they will be allowed to do on their property.**

Some KOLs feel there is a sentiment among some landowners that if the time is right now to harvest their property, they will do as much harvesting as they can because they believe this will not be available to them in the future. These KOLs have had discussions with landowners who are watching what is happening with the State forests and are concerned about what limitations could then be placed on them.

**Mills are closing which increases the cost of harvesting and is limiting the amount of poorer wood being made available.**

A few KOLs commented on the implications of smaller local sawmills being forced to close due to the lack of availability of timber. There are a few implications to this which include:

- Poorer quality wood becomes too expensive to take to the mill and as a result is left at the harvested site
  - This wood has many purposes which include not just wood chips or firewood but for chicken farm and making habitats
- Harvested timber (both native and plantation) now must be taken greater distances than previously which adds to the cost and limits the profit for the landowner
- As a result of the sawmills closing, there are less jobs available which impacts on local communities

**Lack of confidence in contractors.**

The feedback about contractors has been covered in a previous section of this report, but to reiterate, past experiences with poor contractors has led to a lack of trust by landowners towards them. Not treating the landowner's forest with respect and lying to them about the costs and in these ways limiting the landowner's profit has led to many of them to question if they can have any further trust in the process.

*There have been cowboys out there in the past, there will be a legacy of some of that*

**There is a lack of awareness and/or interest in PNF.**

Many are of the opinion that there are landowners who lack any awareness of PNF or have little to no interest in diversifying and growing their own forest. Some feel landowners are not seeing the full potential of having part of their property dedicated to PNF. Reaching, engaging and educating these landowners has challenges.

*But private landholders have many different values and reasons for which they might want to be managing their forests and I'm not fully across how much private land owners understand the full kind of range of benefits that forestry management could bring to their private land estate*



# Private Native Forestry

## Indecisiveness about how to incorporate PNF into their property.

Knowing how to incorporate native timber into a property and make it both an environmental and commercial success could be daunting for some landowners. KOLs are concerned that there is a great deal of information to be understood and absorbed if a forest on private land is to be profitable. Knowing where and how to start may be overwhelming and the end result is inertia.

*And unless they already know some people or have a community of people with whom they can connect with to try to understand some of this or get professional advice. A lot of people are probably sitting in a bit of starvation I suppose about what exactly to do*

## PNF involves significant investment which could become a loss if a natural event such as a fire was to occur.

Cultivating a PNF requires time, energy and financial investment. If a natural disaster such as a fire were to occur, the PNF would be worthless. Some KOLs wonder if landowners might be hesitant to invest in a vulnerable income source due to the risk versus investment argument.

*And so when you are thinking about investing because it takes a long time before you actually see a return on your investment when you are growing trees, you're investing time and money and resources into cultivating something which is at risk of burning down prior to that harvest opportunity*

## The potential interference of government in the future might be encouraging landowners to remove their PNF now.

There is the perception held by some KOLs that landowners are feeling uncertain about the future of PNF and the focus that will fall on their forests if/when the State forests are in the future not permitted to harvest. They feel this uncertainty might be driving some landowners to consider removing their forests and using the land for other purposes.

*Most landholders have no understanding ...and they do tend towards, if I don't understand it give me the money now, I don't trust the government to leave me alone for 20 years why would I be worrying about the future, they are going to come and lock it all up on me and I may as well just get anything I can now, and the future will take care of itself*

## Multigenerational families are not as dominant as they once were which has seen the arrival of smaller blocks of land ownership.

Some feel these blocks are being purchased by two types of landowners; those who can see a quick money-making opportunity by harvesting some timber and those who will never harvest their timber. The bigger concern is for those who are not familiar with forest management, have no regard for the biodiversity and the need to plan for the future and will ruin their forest for financial gain.

*On the coast, a lot of land ownership changes over past 15 years, sea change, people come on property they haven't been involved in, they want to make their mark, clearing etc to make money. Want to log places before they're ready*



# Private Native Forestry

**Conversations in local communities can be positive and encourage native timber harvesting but they can also have negative outcomes.**

One participant discussed the impact word of mouth conversations can have on those within their local communities. If a landowner has had a negative experience with harvesting then they are likely to discuss that with people within their locality. The example provided was where a landowner felt they did not benefit financially encouraging others not to harvest as there was little to be gained. The problem as this KOL described it is local conversations could restrict PNF harvesting which places even more demand for timber on a smaller number of properties rather than 'spreading the load'. There is a concern, some properties will be 'over-logged' which will further degrade the environment.

**The government owns the best timber growing areas leaving landowners inferior land which has not been managed adequately.**

An opinion was given about the lack of good available land for PNF as a result of the land the government gained in the past. This KOL believes the land that was available for landowners was in many cases inferior and in addition has not been managed well enough to support good PNF.

*The government has put, from 150 years ago, the government has put their hands on the best quality timber growing areas in the state and the privately owned areas aren't as productive and potentially they may have been not as well managed in the past either so that timber the quality is not quite as good*

**Many KOLs believe koala extinction is scaremongering and unjustly turns the public against native timber forestry.**

There are many KOLs who feel the discussions around koalas and their potential extinction is simply a tactic used by those against native forestry. These KOLs believe native forestry is not the cause of koala deaths and point to their reality that forestry has been going for many years and koalas have co-existed along with it. There is frustration about this topic and resentment towards those who are using it as a tactic.

*The next battle front will be the private native forestry. I think it's a smoke screen, the animals and koalas, it's not about that, I don't believe. It's about closing the timber industry down. Flora and fauna have lived side by side with timber harvesting over a 100 years and it's still all there*

*I'm sure you would have heard of Brad Law; it just doesn't get out there. To me it's some of the best research around as far as koalas are concerned.*

*Yes, you look at Australia's forest, there are 60,000 years of indigenous firestick farming, whatever you want to call it, where areas will be burnt regularly, every couple of years, that tended to open up the forest quite a bit, kept the undergrowth down and it was reasonably good habitat for koalas. That's all changed.*

**Koalas on a landowner's property could impact their interest in creating and/or cultivating a PNF**

There is a belief that landowners will not report having koalas on their property to protect their ability to harvest. Alternatively, landowners are not prepared to risk investing in their



# Private Native Forestry

PNF as they believe it is inevitable there will be koala sightings which will then limit their harvesting options.

*We've been involved in koala research alongside the LLS and the response from most landholders do not want to engage with that because they go, they are going to find out that these koalas are here and then they're going to come and tell me what I can and can't do, I don't want anyone on my land and that kind of thing. To be honest it's pretty understandable*

**The EPA has caused damage to the industry by the quick and often unfounded accusations of breaches by Forestry Corporation. There is concern among landowners they too will receive the same treatment.**

KOLs who work with landowners share a similar concern about the degree of punishment and public exposure initiated by the EPA when there is the perception (or reality) of a breach in how a forest has been harvested. These KOLs feel there are landowners who are not prepared to have a level of scrutiny where they will be forced to defend themselves against a much bigger and powerful organisation like the EPA.

*but if Forestry Corporation has a potential breach the EPA puts out a media list now I was always brought up with you are innocent until you are proven guilty. But it's almost become sort of a kangaroo court and I think that is irresponsible of the EPA to do that*

*Farmers are nervous about the idea of doing harvesting operation unless they are absolutely certain they won't get pinged by the EPA because the landowners are ultimately responsible but a contractor can disappear into the night as it were. And the poor landowner is left with a mess behind and they don't know what they are looking at*

**The lack of fixed pricing for the price of wood means landowners can never be fully confident they are receiving the right or best price for their timber that has been harvested.**

There is strong feedback from many KOLs that one of the issues in the timber industry for PNF is the lack of a process for a landowner to understand if they have received a 'fair' or 'good' price for their timber. There is no place they can go to check the current rate per cubic metre and are reliant on the honesty of their contractor. Aside from the costs involved in the harvesting, the price their timber has been valued at can never be cross-checked as it can be with other produce such as cattle. Some would like more transparency around this issue.

*But you can't find out what a 30 cm spotted gum log is selling for in Northern NSW at the moment. That's a problem, we need a more transparent system for people to understand the market and we need a structure to allow the private sector to participate and the simplest way to do that is to work side by side with the public sector*

**Landowners need basic education about how to manage their PNF.**

Educating landowners is seen by many KOLs as a major roadblock in improving the quality of PNFs. It is thought landowners need more guidance in order to understand and appreciate their PNF, what it can provide to them, the environmental benefits, and forest management



# Private Native Forestry

strategies. If landowners were better educated then PNFs would improve. Some of the basic concepts about harvesting a PNF include:

- The process does not include a clear fell
  - The reality is every 3<sup>rd</sup> or 4<sup>th</sup> tree is cut
- Pasture is improved
- Forest growth increases due to the opening of the canopy and more space for the trees to grow
- Opening up the forest helps biodiversity
- The optimal number of tree density to have in a forest

*People's view about forest harvesting changes dramatically when you talk about things like forest health and thinning and space and gaps, forest as in tree health how a fewer number of trees per hectare are more healthier than a heavy stock standard which is when you have more trees per hectare*

**KOLs are concerned about government involvement and the uncertainty it creates. They feel rules and a restrictive policy limit interest in PNF and would prefer a positive promotional approach.**

There is a feeling among some KOLs that the government should consider how it wants to attract and encourage more landowners to engage in PNF. Currently they describe the messaging as negative and punitive, focussing on the rules associated with cutting down trees rather than positive and encouraging messaging. These KOLs say that when the rules become too onerous, interest in the concept deteriorates because it creates uncertainty.

*instead of saying how do we manage landscapes they have been focusing on particular activities, like we don't want trees cut down so we have to create a bureaucracy about authorising*

*A lot of people who keep playing around with the regulations don't realise that it has this reverse kind of effect of encouraging that we may as well take it now because probably won't be able to access in the future. Which is the reverse of good forestry and good stewardship which should be in a long-term view*

*Government gets that bit wrong all the time because they think the heavy sort of regulatory approach because it doesn't cost them anything would actually win when in fact it doesn't. There has never been a great conservation outcome that has animated from increased regulation it just doesn't work and because people get their backs up and push against it*

**The competing aspirations for a forest could impact on a landowner's interest in being involved in PNF**

Landowners now have a few options other than PNF for how their forest can be best used. Their choice will depend on the aspirations they have which could include harvesting, carbon markets, biodiversity or conservation. The alternative choices to harvesting could limit the availability of timber.

*You have options around I think there are just so many options available to people especially if they have trees already there. Carbon markets biodiversity markets*



# Private Native Forestry

*covalence and how do you navigate and understand what is actually is going to provide the best outcomes based on your aspirations and your values what you want to achieve*

*That's just making sure that private land holders understand where they can find information to think about what's important to them and their values and how participating in producing timber ... whether or not that is the right thing for them*

*Because as I said earlier I think people that are potentially a little bit overwhelmed by the range of different options that are available like I said other options like those carbon markets or conservation governance and other things which can also bring some form of returns to them*

**There are two perspectives around the issue of dual consent. Some KOLs believe councils should not be part of the harvesting process. From a council perspective, they are not convinced the PNF plan is reliable and does not provide them with confidence the plan is suitable or appropriate for the property making the request.**

KOLs who have an opinion on council involvement, made the following observations about their involvement:

- Some councils are not sure about the process and therefore are not operating as effectively as they could be
- Some councils want dual consent so they can determine if what has been permitted in the PNF plan is allowable in their rural zone

*If councils you know, if they can either say that's not permitted in this, this is in the rural zone*

- There is a lack of expertise in forestry for many councils which makes their input questionable

*No council that I'm aware of really has any expertise in forestry and silviculture and to my mind there is no real role for them to be involved in that but that's what is going on. That is another major impediment to the level of activity in private owned forestry. That's a big one*

- Some councils do not want to be involved in the process and have faith in the LLS processes
- A change in legislation in 2016/2017 provided council with the opportunity to have input into PNF. There is a belief that many local MPs did not question or defend this change because they did not want to upset their local council

*Lots of those folks sit probably within Local Land Services, but changes in 2016/17 to native vegetation laws moved and shifted the roles and responsibilities for regulation of private native forestry and gave some of that responsibility back to councils and in effect it created this confusion around at local government's role in in regulating private native forestry as an activity in their local government area and when that should be*

- The process is confusing to landowners. Landowners prefer a simple process when applying for a PNF. Their application to Local Land Services is considered to mostly be straightforward but approval by council is seen as more complicated



# Private Native Forestry

- Landowners can be confused - they want a simple process so having to get a PNF and council approval is not easy

There is agreement that there is regulatory confusion and for PNF to prosper these KOLs believe they need to be addressed.

**Builders are looking for ways to reduce the use of native hardwood timber in construction, particularly for floorboards.**

One KOL interviewed is an architect. From their perspective, they are trying not using native timber for floorboards and advising their clients there are other alternatives. They appreciate native timber in a more decorative role for houses and for timber which is going to be heavily exposed to weather.

The disadvantages of using native timber are:

- The process of laying timber is complicated. It has to be nailed or glued, sanded and then finished
- Often there is considerable waste as only the top third or quarter of the board can be used. This means up to two-thirds of the board is potentially wasted
- Expertise in laying hardwood timber is declining
- Hardwood timber boards require time to acclimatise; this means the conditions where the timber came from could be different to where it will be used, so time has to be taken to make sure the moisture content will be compatible with the new conditions

There has been an introduction and increased use of LVL which are veneers. They are described as being straighter and lighter and the strength to weight are for this KOL a better option. Whereas hardwoods can be 'tough on the tools', LVLs are easier to use, they are pre-finished timbers that can be laid on the day and the client be working on them in the evening.

Another favourite of this KOL is the Akoya timber. This timber is similar to a treated pine, it has been 'pickled' so it is guaranteed to survive under water for fifty years and it is imported. This KOL would like this type of product to be produced in Australia.



# Differing views

## 6 Differing views

### 6.1 Councils

#### Summary

- Councils will determine if they want a dual consent process and work with LLS when a PNF plan is approved. Alternatively they will accept that once a PNF is approved by LLS, council does not need to be involved
- LLS works well with councils when they have an application that requires council input. LLS will make council and the applicant aware they need to approach council after LLS
- Councils who insist on dual consent do so due to a lack of faith in the rigour of the PNF plans
- Council believes there is a considerable variation in the intentions of landowners. Some appreciate and see their PNF as an asset that needs to be managed and respected while others will harvest purely for their financial gain
- The ability to monitor every harvest is severely limited, with few harvests ever being inspected. There is little or no fear at being detected, so harvesting practices that are not environmentally sustainable can and do occur
- Council concerns about harvesting practices go beyond the harvest. They also have concerns about the infrastructure they need to maintain due the presence of heavy trucks and residents' concerns around these
- This council does not have up to date koala maps; they would like LLS to update the maps or failing that, accept councils' updated maps when they create them
  - Council is not a supporter of the work of Brad Law
- Councils do not always consider LLS to be transparent with information and will withhold important information from council
- The two improvements council would like to see in a PNA plan are:
  - An ecological report, similar to a Development Application submitted prior to harvesting
  - All available information sent to them

#### Feedback

One council participated in this research. This council requires dual consent for PNF plan applications to harvest. They have concerns about the quality and enforceability of PNF plans.

**Councils have the authority to choose if they want to be part of the decision-making processes about native tree harvesting in their LGA or whether they accept LLS's PNA plan approvals.**

Local councils can choose which way they want to operate when working with LLS for approvals for harvesting. This KOL quoted says council can choose to operate in these ways:



## Differing views

- Prohibit forestry in environmental zones
- Dual consent: the council can choose if it too wants a development consent in various zones such as their rural zones
- No consent: they do not want to duplicate the process and will rely on LLS to ensure the correct processes are being followed. This can include environmental zones as well

*From a local government perspective in regard to PNF, you're going to find the approach quite varied. Councils can choose if they want to require development consent for PNF in the various zones, or even prohibit it. In the XXX Local Environment Plan, XXX has prohibited forestry, which is the definition that it gets termed in the local environment plan. We have prohibited forestry and therefore PNF in our environmental zones. We think it is contrary to the objectives of an environmental zone. We have permitted it with consent in our rural zone.*

*Lots of other councils do different things. Other councils don't require consent, permitted without consent because they just leave the whole process, they don't want to duplicate, they see it as duplicating, you might hear the term dual consent. They will just leave it totally up to the LLS process. Some other councils even permit it in their environmental zones as well.*

**There are circumstances where there is a good understanding between LLS and the local council.**

If LLS is aware of an application that is in an environmental zone, they will send this directly to the council. This council appreciates LLS's understanding and respect for their processes. LLS will also advise the applicant about the need to also contact this council if their application is in a zone that requires council input.

*What that means is for the XXX local government area, when a landholder in this LGA looks to put their application through to LLS, if it's in an environmental zone, firstly LLS don't even take the application, they say actually say there is no point, we could approve it but it doesn't mean anything, so that's really good, that they administrate it that way. They say no we can't accept your application*

*If it's in a rural zone then they give them their approval but then they say, you need to go and speak to council about getting your application for that*

**Local councils who have dual consent prefer this status because they believe there is a high degree of variability in how the PNF harvest is managed on the property.**

Councils who prefer the dual consent option, prefer it because it will ensure the environmental standards they value in their LGA will be upheld. They are not convinced that LLS has enough control or manpower to oversee harvesting to ensure it is done properly. They are aware there are harvests on PNF that are done properly but until they see this as being a consistent approach they are unwilling to relinquish the dual consent policy.

*I've been around to a number of PNF sites and there is a lot of variability. Some of them are actually done quite well, I was doing koala habitat assessments and mapping a few years ago, one landholder said we had the PNF harvester in here about three years ago, I said where, I couldn't even see where, it had been done really like the old*



## Differing views

*term selective logging, was done really well. But then I've been on other PNF sites, and it just looks like a moonscape, it is just decimated. There is a lot of variability there, I would say that's a big problem*

*We have because we're not actually enforcing it because we don't when they happen, but we haven't felt comfortable relinquishing the control and leaving it to the LLS process because we don't believe the LLS process is doing what it should do*

**Landowners vary considerably in how they want their forest to be harvested which leads to inconsistency in harvesting practices.**

The observation of this council is that part of the issue around the approach to PNF harvesting comes down to the attitude of the landowner. There are many who want to see it done well; they appreciate and value their land and understand this is an income source now and also in the future. There are others who are only interested in the financial reward.

*I would say too there would be a lot of variability in landholder as well. You would have some landholders that love their forest and only allow selective logging and some landholders would say no, I want every dollar possible out of this, go your hardest*

**The process often lacks compliance which means poor harvesting is rarely identified until well after the harvest has occurred.**

A problem identified is there is no way of ensuring there has been compliance when a harvest has occurred. Often harvesting takes place on a property and it is not easily observed. The contractor and/or owner can harvest inappropriately without much fear of detection. There is no way to determine if the harvested area was properly assessed for flora and fauna and this worries this council.

*Alongside that is I tend to find there is next to no compliance as well. The compliance team and the DPE team, not that the DPE exists anymore, or is it EPA, I get lost*

*Whoever it is, they just don't have the resources and it is actually when you read through the code that they're meant to comply with, if you find koala scats you're meant to leave so many trees, and all the rest of it. After it has been logged how do you know if they did that, because you don't know what it was like beforehand*

**Council would like to see PNF plans as detailed as Development Applications made for a house or subdivision.**

Councils receive environmental impact plans for every development in their area. These are detailed and comprehensive. Council feels the PNF approval plans are of a markedly lower standard than the plans they receive for a development application. They feel the lack of rigour of the plan makes them feel uncomfortable with the harvesting process because they believe there are too many opportunities for landowners and/or contractors to bend the rules to their advantage at the expense of the environment.

*In context all of the DAs for building a house or a subdivision, they all come across my desk for assessment. The level that those applicants have to go to show me that there is going to be a manageable environmental impact, is quite a high bar*



## Differing views

*What I'm saying is the level to get their PNF approval is drastically lower, there is no parity there. Except sometimes the amount of impact is considerably or massively higher. I'll have someone saying, I'm just doing a two lot subdivision on my rural land or building a house and you require all this stuff but across the fence they've just totally destroyed all their vegetation through a PNF application*

**Council suggests an ecological report prior to harvesting would help ensure the harvesting is done correctly.**

Councils believe they will have more confidence in the PNF plans if an ecological report is attached to them. This conveys certainty and ensures the harvest will be compliant to the rules associated with it.

*They should hire an ecologist to do an ecological report should then map out a plan saying, we've gone and done a flora and fauna assessment, these are your koala feed trees, as per the code then you need to leave so many and they should all be marked, it should be done by an independent ecologist, the same as what is done for all other ecological assessments*

**Councils concerns for the environment extend beyond what happens on a landowner's property.**

An issue which impacts on council, aside from the environmental concerns they have, are the additional issues such as heavy trucks that damage their roads and are considered by some to be hazardous.

*Back to council requiring consent, the reason we do that is for the ecological impact. It's also for all the ancillary stuff that's unknown. If you think about logging trucks, quite big things, they are sometimes travelling on rural winding roads and the safety of those trucks and also just the impact on the roads, it is all that ancillary stuff that council can take into consideration as well*

**Koala mapping is out of date and needs to be updated and want LLS to either do new maps or accept new maps council provides.**

This council is a strong supporter of koalas and their need to be protected. Koalas are considered to be in danger and need protection. One issue which is of concern for council is the outdated koala maps. Koala mapping needs to be updated. This council believes LLS is not interested in updating the koala maps and if council were to do this, they would not accept them. It is thought this is a political statement more than anything else.

*There is so much politics available with PNF and that seems to be really tricky. There is also, I don't know if you've gone much into how it links to the koala legislation, that is a big issue. In XXX we have a koala plan of management, it's got all the koala habitat mapped and that's then gone into the back of the Code of Practice, the PNF Code of Practice. The interesting thing is our koala mapping is quite old, it was done in 1999 and it needs to be updated.*

*The work I was doing before, I have remapped the koala habitat and the 1999 stuff vastly underrepresents the koala habitat. There is this map in the back of the PNF code which talks about, you can't do actually in those bits and pieces, but they've said, at a point in time we'll never update that map. I said, if next year I update the XXX koala*



## Differing views

*map you're telling me that you won't update your map in the PNF code, they went no. That's because it is wrapped up with politics. Whether or not they do end up folding on that, who knows, I guess when it happens*

### **Brad Law's work is controversial and disputed by many.**

The work of Brad Law is thought to have major flaws, the reasons being:

- It is only an indicator of presence of males and is not accurately recording females
- It is not an indicator of density
- It is not known how many koalas were present before the recording - it does not record across time

*The Brad Law stuff is heavily criticised in the ecology industry. The reason for that being is it's an indicator of presence, it's only really the males that do the bellows. If there is not a male there, if it's mainly females you're probably not going to hear. Also, it doesn't tell you about density. You could even argue was it actually showing absence because maybe it's a female and she's not calling*

*The Brad Law stuff gets trotted out with Forest Corp stuff and all the rest of it, it will be like we don't have an impact, there were koalas there before, there were koalas thereafter, that's the simple way they boil it down. Hang on, how do you know it's still in the same numbers because you don't know the numbers beforehand, you don't know the numbers after, you're just looking at there were koalas there before and now there is maybe one or two, or who knows how many, is it still the same, has it got the structure of across the generations and is it breeding female or is it a couple of male koalas. The Brad Law stuff is controversial*

### **Transparency is important and this council believes LLS is not always transparent as they often do not provide key information.**

LLS is criticised for not providing the number of hectares that have been approved for PNF in each local government. This council believes LLS claims it is because of privacy issues, however the information is required for the environment report that this council (and maybe all councils) have to create.

*When they did that, LLS will no longer give us the stats about how many hectares of PNF has been approved in each local government area, they refuse.*

*They just refuse, they don't give us an answer, they just say it is privacy concerns. They won't give it to us. We have to now state in the environment report that this data was requested but not supplied by Local Land Services. We dump them in it because we've tried for years, and they refuse.*

### **The key feedback for council from this council is that before a harvest, an extensive flora and fauna report should be conducted, and all information should be sent to council so a well-rounded and considered decision can be made.**

#### **Extensive flora and fauna report**

*PNF code should be amended to require a comprehensive flora and fauna report. Put out a map which shows the area that should be avoided, and it will actually stipulate*



## Differing views

*how many trees that needs to be preserved and all the rest, then it is a plan. If the contractor does the wrong thing then government can come in and say, this ecological assessment says they're meant to be 20 trees over here and there's not, where are they*

All relevant information to be provided

*Yes if we wanted to but we don't know where on that property it is, we don't know how many hectares it is. It could be a small bit on a huge property, we've got no information what or where or what exclusion zones or anything. We just know that an PNF agreement has been approved for a certain number of timber somewhere on that property*

*agreements should be sent to local councils, the full agreement with the map*

### 6.1.1 ENGOS

#### Summary

- ENGOS support timber and prefer it over the available alternatives
- PNF is unregulated and not documented. ENGOS are concerned there could be more destruction through PNF than State forestry
- Some farmers have their own individual ideas and believe they are entitled to operate according to their vision on their land, at the expense of the environment
- ENGOS want to see the end of industrial State forest logging and support the FSC standards for native timber harvesting
- One of the major problems with harvesting in any native forest is the equipment used and the impact that has on the environment
- ENGOS are concerned about the future livelihood of those in rural areas and want to help them plan and cope with future climate change issues they will have to adapt to

#### Feedback

**ENGOS support PNG as they appreciate timber for the broader contribution it makes to society.**

ENGOS are not against the cultivation of timber and PNFs as they believe it is better for the environment. Their concern is when there is harvesting of native forests the harvesting is extreme and then detrimental to the environment.

*I guess two things, we support wood I love wood personally and WWF we want more wood in the world it's a low carbon, low embodied energy construction material and during the period when its germinated or planted to when its harvested does a lot of good for nature and climate water cycles. We're not saying no to PNF*



## Differing views

### A discussion about the worth of a tree should be broader than the financial value.

A tree has many values and ENGOs would like a broader discussion about the true value of a tree as this will help to create better understanding as to how trees and forests should be considered. Trees contribute more than timber for construction of some kind, they contribute significantly to the environment and their overall contribution should be properly considered.

*Often times when you actually take the market value of that product it is immensely lower compared to when you consider the value of the tree when it's on the ground because there are a lot of eco system services that that tree can provide, that we don't account for like within conventional Government systems or conventional economists don't account for them*

### ENGOs are concerned PNF harvesting lacks environmental discipline

The concern ENGOs have is due to the lack of documentation on the scope and range of PNF, there is no way for ENGOs to understand and then hold the system to account. If breaches occur and there is excessive tree clearing, then the fauna and flora will be impacted, particularly the koalas.

*There is no monitoring, there is no surveying, there is no litigation opportunity for third parties to hold them to account. There is no publication of data, I think there is 700,000 hectares of PNF permits in the State they have no idea how much of that is being logged, how it's being restored, how it is not going to breach the Commonwealth Government's or the State Government's commit to climate change. A lot of this is koala habitat and also black cockatoo habitat, it makes a mockery of the EPA reforms to protect federal threatened species*

### Farmers' ideology is for using the land as it suits them, without having responsibility for environmental consequences.

ENGOs position on farmers is that farmers have a belief they have full responsibility for their land and will act in a way that benefits them, not their environment. They see this as a clash with their environmental responsibilities which is particularly concerning to ENGOs. It is also the belief of an ENGO KOL that koalas are more likely to live on PNF than in other forests.

*We are a long way from there. We have to stop treating farmers as they can do what they want on their own land. Which is a classic sort of background the ideology a lot of farmers have*

### Support of native timber harvesting but under strict guidelines set by FSC

The standards set by FSC are those which will be acceptable to ENGOs. They are of the highest standards and when they are met they will ensure long term forest health. It is acknowledged there is currently only one forest that is currently FSC certified in NSW.

*Two things, one WF's position is that we want to end industrial native forest logging Australia and support FSC full forest management certification where it can meet the standards. I don't think any of the Government owned forest corporations will ever get there they tried they're still trying*



## Differing views

**A major issue for ENGOs is the disruption the equipment used for harvesting creates.**

Selective harvesting processes are purported to be used in native timber harvesting but ENGOs believe that it is not the removal of the trees that is completely the issue, it is the equipment used in the process that causes the greatest destruction. It is believed that it is almost impossible to selectively harvest.

*... it's not as much the trees have come out it's the equipment if you get the skidders going in there they do a lot of damage ... we put back on the forestry people well show us how you could do it without taking out five other trees and churning up the land and erosion risk and mobilisation risks and letting light into the soil while you take two or three or five trees a hectare, they can't do it. Unless you're hire a Russian big helicopter pretty straight up like they do in New Zealand or Scandinavia I don't know how you do it, but we won't have that discussion because it will be next battle after logging*

**Rural communities' ability to manage their properties due to climate change is of great concern to ENGOs.**

Climate change, in the opinion of ENGOs, will have a major impact on how landowners will be able to manage their properties. They are envisaging instability for landowners with periods of drought and wet and would like to be able to support landowners make good decisions for their properties.

*What is worse is with the impacts of the climate crisis we will be seeing even more instability and insecurity and not just bad years but pretty terrible years*

*I was working with a private land holder planting a bunch of trees, getting all these methods tree planting methods then to ensure water retention. And then we get a wet, wet summer and the thing is that a lot of these people will be planning for certain weather events and could potentially get to lean completely different so we actually do know that that instability will be impacting them severely*

Part of their concern is that landowners remove trees from their properties without being educated about the potential impact this can have on the environmental health. They see it as their job to help them understand, adapt and make good choices for their land for the future.

*What's worse is what do they do when they have cleared those forested sites without proper monitoring without proper guidance and without proper advice. They eventually will have lost these high biodiverse valued pieces of land and then you're actually going to have really massive impacts from there, they are going to actually have more, they are going to be more susceptible to floods to soil erosion to a bunch of other things that will actually make them even more vulnerable to climate impact; so it's just going to be a positive feedback, we actually just don't want to see them or their communities be affected by it*



# Differing views

## 6.1.2 Supporters

### Summary

- Environmental advocates often lack education and understanding about forest regeneration
- The native timber industry is subject to ‘untruths’ that are the basis for the campaign to close the industry
- The native timber industry is highly regulated and operating according to strict guidelines
- The native timber industry makes a significant economical contribution that extends beyond Forestry Corporation
- There is little support for ‘locking up’ forests as it is believed this practice limits forest growth and health, not enhances it. It is also not advantageous for biodiversity and animal life
- Environmentalists are not consistent with their beliefs
- National Parks are not subject to the same level of interrogation as State forests. National Parks are considered to be expensive and poorly managed
- The focus on Forestry Corporation is often based on economics and overlooks the environmental contributions that are made
- Minority groups are able to generate significant publicity for their cause which is not representative of the broader population’s beliefs
- If the native timber industry were to falter, the effect would also impact plantation forests due to the lack of infrastructure that would be available. Additionally, prices would increase and the ability to source product would diminish
- There is a belief and a hope that PNF cannot be as exposed to environmental groups as a government agency
- Criticisms are often made by people who are not qualified
- Environmental groups are not approachable or easy for those in the native timber industry to engage with

### Feedback

There are many varying opinions that were recorded throughout these interviews. This section is included as these issues are important to some who took place in this research and are relevant to the broader native forestry industry.

**Environmental advocates are well intentioned but are not in tune with the cyclical process of forest regeneration.**

Many KOLs believe environmental advocates often lack strong knowledge about forest regeneration. Many gave examples of having conversations with other people about a forested area where those opposed to forestry commented on the pristine nature of the forest without understanding it had previously been a harvested area. They feel there is an assumption that



## Differing views

any forestry is bad for the environment and yet nature, in their opinion is very good at regenerating itself.

*There are activist organisations, mostly they are very passionate people who love nature and love the environment and think forestry is something evil and has to be stopped. I don't know how many of them have actually been into a forest when it's harvested which looks horrible. Go back two years later and you go, wow look at the regrowth and go back ten years later and you wouldn't even know*

*Usually, eight times out of ten you can win them over. Some of them say thanks for visiting but I think we'll just leave it, even though the place when you walk around there are stumps everywhere. It has got a history, you will be walking down a track and say this is an old logging track, that's a log nut, how do you know that's a log nut, I say there are the old skid logs and the loading rig where they pushed logs onto a truck back in the 70s before excavators come along*

**KOLs who are aligned with the native timber forestry industry are frustrated by how the industry is portrayed. They believe there is an agenda to close the industry on the basis of 'untruths'.**

*It's upsetting, no doubt about it given that we've been in the industry for so long. We've seen what really does happen in the forest. There is a lot of propaganda getting thrown around in the public view that is not true. To be able to have to try and deal with the fact that untruths are being said to the public and they're wanting to close the industry down based on things that are not true, it's pretty hard to swallow*

**The native timber industry is managed well but it is not being properly represented.**

Those who work in the native timber industry believe it is managed well and believe there are many ways this can be demonstrated. It is a highly regulated industry with significant compliance and does not deserve to be discredited in the way it is.

*Step back - look at the resource, timber when managed properly is renewable resources, in Aus, have mechanisms in place, standards, checks and balances that need to be adhered to, when get a fringe element on outside stop milling and logging and what basing facts on. Have a balanced view*

**The native timber industry is viable and important to the economy which is often distorted and negatively presented. Forestry Corporation is important not just for those it employs, but for the flow-on impact it has on local communities.**

The economic importance of the native timber industry is often overlooked by those trying to discredit the industry. There are many directly and indirectly employed due to this industry. These KOLs find it galling the industry could be closed down on the basis of poorly constructed economic argument.

*We employ about 100 people here in our business, and the flow-on from that. It is millions of dollars for the economy. To shut it down for no good reason that is what is really hard to take*

*The private side of things subsidises the State forest, there are smaller sawmills that live predominantly on private owned timber but most of the larger, you could consider*



## Differing views

*us one of the larger ones and if we had the State forest removed from the equation it would make life pretty difficult*

**The concept of 'locking up a forest' is detrimental to forest health and inhabitants such as koalas.**

There is great resentment among many KOLs about the 'locking up' of the forests which was introduced further by Bob Carr in the 1990s. The arguments given as to why forest should not be locked up are:

- They are not properly maintained and have accumulated significant undergrowth which acts as fuel for fires as witnessed in the 2019/2020 fires

*But I question protect them from what because as we saw with the fires four years ago the fires just said you beauty look at all this 25 years of accumulated fuel lets go. And all the koalas and all the other biodiversity that we try and protect gets cooked to a crisp in a landscape that is supposed to be protected.*

- It makes it harder for animals like koalas to thrive because of the thick undergrowth which compromises moving from one place to the next. The impact this has is it forces them out to exposed spaces where they become vulnerable to predators and road kill

*A managed forest will have more koalas than an unmanaged. I said to one lady, I've never seen a koala fly, she said what do you mean, I said it's a place that's full of lantana, I said the poor thing can't get around, forces him out onto the road or the open paddocks where the dogs or the cars get him. I said come up to XXX where we burn, we log, and I said the place is full of koalas*

*Yes, I said last year we got 800 call backs on the listening devices, which means there was 40 or 50 males there chasing females, it's a managed area. I said go up into the park and you can't walk through the fence because there is 20 foot of lantana in front*

- The traditional landowners did not lock up forests. To the contrary, they were regularly controlling forests by creating corridors through fire management. Some contend there are more trees now than when white settlers arrived

*We have now got forests that used to be woodlands and we have forests that accumulate huge amounts of fuel and are actually not good for biodiversity and all this nonsense about protecting the forest and saving the forest it is really nonsense because our original inhabitants the Aborigines knew exactly what was required and that is keep the landscape open keep it free of trees, make it easy to traverse and you won't get the bushfires that we have today*

- There is frustration with the concept and feel those in favour of 'locking up' the national parks should try doing the same with their own backyard and see the impact it has

*They do, I don't see the value in locking something up. I've got a friend of mine in Casino who hates what I do, but we've been friends for a long time. I said to her one day, just walk in your backyard and lock the gate, don't go in there for five years, she said I'll have a mess, I said you've basically answered your own question about national parks. You lock them up and don't do nothing to them it ends up a mess. At least what a lot of private property owners are doing they see value that their timber resource helps them out in bad times*



## Differing views

- Locking up the forest does not help the biodiversity and it is not helping the broader community. There is frustration this position is not being presented to those who ultimately make the decisions

*We really need forestry intelligence in Parliament House getting politicians to stop thinking about protecting things and look about providing the needs for a community for a society and saying we need to have improved management of forest landscapes so that we can not only give industry all the range of different products that it needs. But also give the forest the confidence that the biodiversity is being managed not like the mismanagement of lock it up make it a national park say, it's been protected then watch it burn*

- A forest will not prosper by locking it up because it needs to be managed and to not manage it is neglectful

Locking up a native forest is described as being neglectful by one KOL. This KOL is an active forester but believes there are no benefits to locking up a forest. It needs to be managed for weeds but more importantly for it to gain a natural structure that will let the forest thrive.

*I noticed you mentioned just locking it up and leaving it alone is our pet hate of the solution is, just lock it up and leave it alone and nature will take its course. It doesn't seem to work in forests, whether it is all grown back as regrowth from cleared land, it needs management, we call it benign neglect to just leave those forests to sort themselves out when it's not a natural forest structure. The time frames you're talking to leave that to sort itself out is unacceptable*

**Environmental groups are often thought to be inconsistent with their objections.**

One KOL observed that environmental groups are not consistent and sometimes verge on hypocrisy when it comes to what they object to. As an example, one KOL commented that environmentalists are against land being cleared, unless it is for a purpose they approve of

*Do not hear this get onto media when bush is cleared for solar farms*

**Forestry Corporation is heavily and regularly criticized however no attention is given to the management or expense of national parks.**

KOLs in favour of native timber forestry believe the imbalance of attention given to the State forests and not the national parks is unreasonable. They believe the State forests are well managed and run and at least recoup some money through forestry whereas the national parks are an expense and are, in their opinion, having a far greater detrimental environmental impact than is currently up for discussion.

*Your strategy in my opinion is getting worse and there has been no monitoring people are very happy to run the rule over Forestry Corp from every direction they can but no one does the same thing for NSW National Parks*

**Forestry Corporation offers more than just economic gain, it also contributes to the forest environment.**

The contribution Forestry Corporation makes to the State forests is more than simply an economic one. Maintaining the forest for weeds, pests and fires are just some of the contributions that are made.



## Differing views

*I think if we had a broader narrative around the many benefits that different types of forestry practices can have for building forest resilience then that would sort of help people understand I think there is a bit of a trust issue in terms of harvesting being driven by truly economic values and therefore not taking appropriate account of some of the other factors*

**The loud minority has a strong influence but does not represent common sentiment.**

There is frustration among many pro-native forestry KOLs that what they refer to as the 'loud minority' have a high degree of influence without the backing of the broader population. There is regret there is no strong pro-native forestry voice to counterbalance this perceived inequality

*it is the sort of loud minority that is really on the extreme end but unfortunately that sort of what seems to get amplified through the media some of those groups have a lot of political influence and pressure*

**The timber industry goes underneath the radar for many people, but KOLs positive about the industry believe its absence will be sharply felt**

The timber industry is not one that many people think about and yet KOLs believe all people use and benefit from the many products it produces which include the by-products of wood (chips, firewood etc), paper, cardboard boxes, as well as those more aligned with hardwood trees such as power poles, outside flooring and marine uses. The absence or sharp reduction of timber products will have a flow-on effect which will impact many. There is a belief that if the native timber industry contracts then this will have an impact on the plantation wood industry due to the reduction in essential support services such as sawmills.

*It's an industry where if you didn't have it you would really notice that it's not there. I don't think people notice that it is there. Don't see the industry that we have now but they'll definitely see that we don't have an industry if we shut it down. They will be starting to wonder because timber is everywhere you look, everywhere you go, there's timber*

*There are other little issues about wood, you look around and you look at wood, other by-products of wood, paper, cardboard box when you order something off Amazon*

**There is a lack of baseline data which means assertions can be made without data analysis. This leads to beliefs that could be unfounded.**

Considerable attention is paid to the impact native forestry has on the environment but there are many differing ideas about the severity of the impact or the potential for the landscape to be stronger now than in the past. In the absence of data, some KOLs believe many assertions can be made that cannot be verified due to the absence of data. These KOLs would like to see research, baseline data captured and monitoring.

*Yes, I think that is where there should be an onus on Government to support private landholders through monitoring programs and things. I think that really needs to be a government initiative where you've got a consistent data collection program across participants so that you can actually track and monitor the outcomes that are being achieved.*



## Differing views

PNF cannot be as easily scrutinized as closely by environmentalists which means the objections will not have as much impact as those that can be made on a government organisation.

PNF is seen by some KOLs as having a better chance of escaping the impact of criticism from the environmental groups. It is much easier to criticise government than it is to criticise landowners. Not all agree, with some KOLs believing no group can escape criticism.

*It is, do you know what, what worries me that the challenge for them though it's a bit like the industry, it's a hell of a lot easier for these angry activists to protest against the Government because they're an easy target. Trying to bail up a whole lot of small farmers does not give them good credibility because people are going excuse me, hang on, that farmer is a great farmer and we all know him and he's one of the honoured people in the district or she is, we've loved what they've done we have been out there for the field days, they've shown, they've explained, sort of bugger off*

Critics of native forestry are often thought to lack the qualifications needed for a balanced opinion. They are thought to be people who are not familiar with forestry practices.

A major frustration for many KOLs who support native forestry is that those making the accusations about its environmental deficiencies are not sufficiently qualified.

*often times it is inner city-based people who have rarely walked through a forest, and they definitely have zero understanding of good forest practices*

Worthwhile conversations between those in the native timber industry and environmental groups are complicated.

The tensions between native forestry personnel and environmental groups are strong. FSC have tried to bring the groups together, but there has been little success. It is the observation of one KOL that those in the native timber industry have grown tired of trying to engage, only to have, in their opinions, unfair, invalid and unsubstantiated propositions presented.

*I also find that sometimes people don't really say anything, especially to the forest managers because they're nervous about making a target of themselves. They will usually often sit quiet and not say anything and then after the meeting is gone they will go and stand in the corner and moan a little bit about everything that they thought was unfair in the meeting. They have been burnt too many times trying to engage with stakeholders that sometimes it is easier to stay quiet and just whinge a little bit about it*



# Differing views

## 6.1.3 Business

### Summary

A business that sells timber participated in this research. This company is supportive of native forestry in Australia so long as the process of creating timber for sales follows a strict certification process through all stages. This business recognises the certification process of both Responsible Wood (PEFC) and FSC.

A clear message was being sent that this business feels it can no longer simply be the receiver of native timber, but it has an environmental and moral responsibility to be more involved in the process. This can be achieved through direct contact at all timber creation touchpoints and could even involve investment of some kind into the industry.

PNF is seen as a way to help supply native timber. The PNF code has been reviewed by this company and they are impressed by its standards. They are very interested in a group certification process as this will provide assurance that native timber will be processed at all stages in an appropriate and certified way.

The main points raised are:

- The overarching ideology of the purchase and supply of Australian (and overseas) native forestry is it must come from a long-term sustainable source
- There are many considerations and challenges when considering where to purchase native timber which includes global versus domestic purchasing and the impact of both, environmental damage, community damage, and providing native timber at a reasonable price
- Company x has confidence in both Responsible Wood - PEFC and FSC
- Both these certification agencies ensure native timber is harvested responsibly
- The preference is for local certified hardwood timber over imported timber provided it is produced responsibly
- FSC certification is ideal, but there is recognition it is almost impossible to achieve in Australia
- There is concern there could be variations of standards for those certified by Responsible Wood which creates inconsistencies in timber production approaches. This creates uncertainty
- Finding a balance point where all needs are mostly met is challenging. The environment, environmentalists, and the practical issues are not always harmonious
  - Native animals and species are under threat, but there are the human needs such as housing that also have to be considered
- Direct engagement with those who provide the timber and are part of the supply chain is essential to help reassure Company x the process is meeting the standards they expect
- The dependency some rural towns have on the native timber industry surviving is a concern for Company x. They are aware many people's lives would be adversely affected if this industry were to close



## Differing views

- Native forestry is viewed as a highly political topic and both sides use arguments that are polarising. Company x views native forestry from a midpoint position and they see native forestry as a complicated industry

### Feedback

**The policy of Company x is based on sustainability and providing timber from sources that has been produced in a responsible way.**

Company x has a strong environmental policy. They will not accept native timber (or any timber) if they believe it has not been produced ethically with environmental goals intact. They will not compromise their standards and their focus is on 'long-term sustainability'. Their policy is derived not just from their own internal drivers, but from their customers preferences as well

*That is why we've intersected our policy in this way so that if we try and meet multiple parties' objectives and we also understand that being in this business that we're not going to satisfy everyone at the same time every day. Being in retail regardless of whether it's timber, native or plantation or otherwise we have to come at it with that mindset to do it as responsibly and as appropriately and to serve our customers in the best way possible and in a long-term sustainable way. There is a reliance as well on us to continue to supply product into the industry, there is an expectation, maybe reliance is the wrong word. There is an expectation whether it's stated or not*

**The competing goals of groups who have an interest in native forestry creates significant commercial complexities in determining where timber (of any kind) can be purchased both now and in the future.**

Sourcing timber from ethical and sustainable sources poses challenges which are not insurmountable but require careful consideration. The issues to be considered include:

- Global: Importing wood has many considerations and consequences which include the reliability of the source, the cost of bringing it to Australia, the environmental issues associated with long-haul shipping
- Domestic: The current political environment in NSW is uncertain, making long-term planning challenging
- Responsible sourcing: This concept varies according to the many biases present from those who are invested in this industry. There is no satisfying any one group completely
- Pricing: The cost of living is a constant public discussion and Company x feels it has a responsibility to provide products at a reasonable price
- Economic considerations: The costs, not just financial, to rural communities if the industry is closed
- Environment: If harvesting of native forestry continues, what will be the genuine costs to the environment
- Would need to re-think some of their approaches and become more innovative



## Differing views

*Yes and there is risk associated with that, look at the escalation of shipping costs and things like the Red Sea and the wars that affect shipping, definitely*

**Importing timber from overseas requires much consideration beyond price escalation. Sustainability and ethics are also at the forefront of the purchasing decisions.**

Importing timber into Australia is expensive and Company x can visualise a price increase if they are forced to procure their timber this way. Cost is not their chief concern; they are more concerned about finding a source that provides environmentally sustainable timber. They will not compromise their policies.

*We'll find product elsewhere. Our merchants look globally but very important to note that any timber source must meet our policy, this rhetoric around you're buying from substandard forests overseas where there is less governance than in Australia, that doesn't apply to us because we won't touch it. We were one of the first brands to exit any supply chains associated with Russia when the war in Ukraine broke out. We acted before government, we acted before industry and then everybody else followed, we take that very seriously*

**Responsible Wood and PEFC Certification and FSC are the certification agencies Company x relies on for their supply of Australian native timber.**

This company has a procurement policy in place which supports the concept of buying timber only through responsible sources.

The two certification agencies they rely on are:

- Responsible Wood and PEFC certification
- FSC - Forest Stewardship Council

Company x raised and discussed their awareness of the pressures within the industry on the supply of native timber but were firm on stating they respect the values and credibility of Responsible Wood. It is not just their values they uphold, but they also believe there is an expectation from their customers who also hold similar values that the products they supply come from an environmentally secure source

*Being Responsible Wood certified and the strength that sits behind that in the Private Native code is critical for us, for what our customers expect us to do*

*From a policy perspective the baseline for us now is that we won't buy natural timbers that are not certified by either PEFC, Responsible Wood or FSC, that's a baseline*

**Timber that has been responsibly produced in Australia is a priority; Company x believes suppliers should be rewarded for the effort required to be certified.**

There is a preference given to suppliers who provide Australian native hardwood that has been certified at each stage of production. Company x believes it needs to support these suppliers for the effort made to achieve certification.

*For us it's really important that our suppliers that have come with us on that journey are treated equally for the work that they have put in. We can't be in a position where*



## Differing views

*we would allow uncertified timber to come in when all of our suppliers have got up to a certain standard. That would be really important for us*

**FSC certification is the 'gold standard' but difficult if not impossible for native forestry to achieve this certification status in Australia.**

The representatives of Company x discussed the problems of achieving FSC certification. The blockage from their perspective is the impact environmental groups have on the process; FSC has the support of environmental groups, and these groups are totally opposed to the native forestry industry which in Company x's opinion, makes it almost impossible for FSC certification to be achieved.

*I think that's part of it, FSC are super, super high bar and they have had support from the environmental groups from day one when it was established, they were part of the standard settings, so they felt included and they've put their weight behind that. In Australia FSC has struggled to get into the Native Forestry landscape partly because of the strength of the advocacy from the green groups that basically say, no Native Forest should ever be FSC certified, we don't understand how it could get there and if it did it would mean that FSC had dropped the bar, that's the baseline position for FSC*

**FSC certification has been achieved in overseas countries for native forestry. It has required considerable investment but the benefits for all have been significant.**

- A discussion took place about a forest in Papua New Guinea that has achieved FSC certification. Company x has taken considerable interest in observing this forest and its transition to FSC certification. It provides hope to Company x that a native forest can be FSC certified, create benefits and still be environmentally intuitive and responsible

*... a lot of this stuff is distilled down to headlines that suit a particular type of advocacy or political argument, all timber coming out of Papua is illegal and bad and how can someone like xxx have that in their supply chain. What the greater story is working intimately with the supply chain and having boots on the ground. Stakeholders including the local communities have been engaged to intimately understand how this all works and with the standard setting body for them to be certified and to really feel like it's worked, it's worked for that region, it's given them economic value, it's giving rewards back to the local communities, it is done sustainably with respect to the forest, all of that stuff. That's how FSC can work*

**There is concern there can be variations in standards for those who are certified by Responsible Wood.**

Responsible Wood is supported by Company x, but there is some concern some suppliers are performing and adhering to the standard in a much stronger and committed way than others. They feel there is variation in standards for those being certified by Responsible Wood, and this creates external concern. Company x representatives are concerned Responsible Wood does not have the 'social licence' that is considered to be acceptable by environmental groups which in turn helps create distrust within the industry.

*Responsible Wood are grappling with the fact that there are lots of companies that are on the continuum from just scraping into the standard, actually doing really good best practice, they are all certified, but the standard is only as good as the lowest common denominator*



## Differing views

Responsible Wood is a 'legitimate standard' but Company x feels it could have a stronger social licence if it is seen as being open to newer suggestions as opposed to being locked in and not considering other possibilities.

The representatives of Company x as discussed are supporting of Responsible Wood and find strength in the standard. Their concern is there will continue to be ongoing debate associated with native forestry and it is their preference that Responsible Wood is seen to be an organisation looking for innovation and change, rather than being static and inflexible.

*The messages that come out of this are very headlined, they are very graphic, they are very emotional and Responsible Wood is a legitimate standard but it's not to say that as an industry it can afford to stay static. What we've done in the past is always going to set us up to have social licence in the future, that's not going to work either because look at what is coming at forest as an environment. You've got climate change, you've got biodiversity loss, you've got all these things that are not necessarily a direct result of selective low impact logging, but it doesn't mean you don't have to change*

*Absolute positions and that's equally on both sides of the debate. We work really closely with the forestry industries but one of the barriers we get is there is nothing to see here, we actually don't believe we have a driver for change because what we're already doing is best practice*

Businesses have many considerations and finding the balance between the environment needs, the needs of customers and the need to supply product presents challenges.

From a business perspective, it is challenging to consider the many differing opinions and needs. Finding this sensitive balance point presents its challenges and finding the practical approach so the needs of many are somewhat met but can never be fully met creates conflict. Company x has adopted a policy and it is accepted that they will be criticised, but this will happen no matter what position they take as they simply cannot satisfy all groups who are invested in native forestry

*That's why I referred to earlier customers, whoever they are and wherever they are in the chain. They can have quite a particular personal perspective and just even that question around transport and logistics and the environmental impact of that versus the regenerative nature and where and location and biodiversity or other conservation type impacts. It's a whole field of study in itself to do that. Overarching that as a business we need to invest time into thinking about that, where it's relevant and where it's material but we also need to leave reason scale our impact in a way where we can't get bogged down in that detail so to speak because a) we're not the experts in that field but b) also there is a practical nature of moving the discussion forward as well*

Competing needs makes it challenging for business to know exactly where their ideology stands. Animals and species are under threat, but there are human needs that need to be met and the two concepts create confusion on how best to proceed.

Representatives of Company x discussed the species that are under threat and names the NSW koalas, the Victorian Leadbeater Possums, and the Swift Parrot in Tasmania. There is genuine concern for these and the other species, but they also understand and support the need for Australia to be able to independently able to support itself and its future needs.



## Differing views

*koala parks and other things are going to continue to reduce volume coming out of public State forests. This resource is going to be necessary to build houses in the future and to give us that sovereignty that we need as a country to meet our own needs for building houses*

**Environmental groups cannot be dismissed as some of their arguments warrant consideration of native forestry; A Company x representative believes Forest Corporation has access to the key forest spaces which represent prime hardwood forestry in NSW.**

A representative of Company x feels Forestry Corporation has access to native forestry areas that are environmentally critical and valuable and believe this is the central argument to those opposing native forestry in State forests.

*There's an argument there. You've got to give them some kudos that some of those areas are critical, last remaining pockets of biodiversity hotspots, so they have greater value in the whole landscape. There is an argument there*

**Company x insists on seeing firsthand where their timber has come from. They find this is helpful to form their own opinions and have a defensible position for the sale of native timber.**

Creating, maintaining and adhering to the standards Company X has created is of paramount importance. This company has decided it needs to go a step further in understanding where the products they purchase has come from. For them, it is essential they directly engage so they can be assured the timber being supplied does comply with the standard and they are comfortable with the process.

*What we try to do as a business is intimately engage with those certificate holders, with those forest managers and really we like to go for a walk through the forest with the forest owners and let them show us how it lives and breathes, from the ground. We try and stay across the diversity of research that either supports or rejects the effectiveness of the standards and that is a job. For every piece of research that is pro forestry there is one that says it should be shut down*

**There is concern for local communities, their livelihoods and communities if the native timber industry were to close. Company x believes their customers prefer to buy local product over imported ones.**

Company x believes small rural towns would not recover if the native forestry industry were closed because they rely on this and other industries to survive. Additionally, they feel they have pressure on them to provide Australian made products, particularly from timber. Their customers prefer and many demand, Australian made.

*It could be construed as varied however there is still a strong customer sentiment for support for Australian made, so to speak and Australian derived. That's an important aspect that we take into consideration as well as part of the decision making and part of this thinking*



## Differing views

The current situation in NSW is highly political. There is pressure on the NSW government to cease native forestry. Company x believes the opinions represented are often biased and do not allow for the nuances of the industry to be properly discussed.

The political pressure that is being applied to the NSW State Government was discussed by these representatives of Company x. The closure of native forestry in State forests in Victoria and Western Australia plus the commitment to the Great Koala Park in NSW is creating an uncertain future. This company is closely watching this as the outcome directly affects which products they can offer and where they are sourced.

- There is a belief that the opinions are polarised and biased and essentially this creates tension rather than allowing for a nuanced discussion

*It's not a case of all bad or all good, this is a really nuanced discussion and it's a discussion that has been altered and parts of that story or the facts have been selectively included or excluded depending on your advocacy or your political persuasion and that's the challenge*

### The future of timber in Australia

Plantation timber production is seen as one way forward if Australia is to meet its timber production requirements in the future.

It was suggested in this discussion that plantation timber production is part of the key for the shortfall in timber production to meet the needs of Australians in the future. It is believed there is currently not enough plantation timber available and more needs to be planted

*It's worth saying that while that the majority of the timber we source is plantation timber, but for us we're equally conscious that the investment in plantation timber in Australia has not been such that it has met the current and future requirements of the industry*

*... while at the same time there needs to be much greater investment in plantation timber for the future*

### The uses for timber and possible replacements may need to be explored

Company x representatives pondered about possible changes to how products can be used and supplemented in the future. If the native forestry industry in NSW is further reduced, then substitutes or alternatives might need to be developed and adopted.

*It might change the mix, it might change the origin and it may involve a requirement to be more innovative in how we look at the resource in terms of a) applications, b) upstream processing of product in order to be more applicable and more suitable for different applications as well.*

*It's not just about thinking about how we might have done it in the past but also thinking about how we might look to support and invest and promote as well because the construction and building industry in a way, they know the methods they've been using but they're also thinking about the future, they are also thinking about other ways to do what it is that they would like to do in the future*



## Differing views

**Businesses like Company x might consider being proactively involved in the industry to ensure their native timber supply meets the standards they require.**

Representatives of Company x discussed the possibility of investing in the industry to ensure their supply of native timber can be consistent and from an environmentally sustainable source. There is recognition that stabilizing the supply of native timber could require investment in both financial and environmental ways.

*I think traditionally we would have been more involved at that transactional end but what is our role further up the chain. That's a topic that would take a change of mindset in terms of how we view our place in that ecosystem. We are continuously doing that, there is not one solution that we would say, okay it worked like this in the past and that's what we would apply in the future. That's why our team, and you'll see the diversity of people coming from different perspectives that are inputting into this business approach or this strategy and, xxx I'm sure if he was on the call would talk around supply facing piece and how we're working further up the stream*

### Private native forestry

Private native forestry (PNF) is of interest to Company x. It is seen as a partial solution should native forestry in the NSW State forests be reduced or stopped.

**PNF is a potential resource where forests owned by private landowners can supplement the shortfall.**

- Company x is open to the possibility of PNF becoming a reliable source of native timber, with landowners being able to sell their timber either directly to Company x or via other channels.

*I see Private Native Forestry as timber that is on private land, that is not being used for forestry. It seems pretty straightforward and there is an opportunity possibly for it to be converted into a forestry source by liaising and setting up contracts with those private landholders*

**The PNF requirements are acceptable to Company x as it addresses many of the issues they consider essential for native forestry.**

- The PNF codes was discussed and the conclusion from Company x is it has both depth and strength to it. They are impressed by the environmental stipulations and are impressed its requirements are strong than the Forestry Code.

*Short answer is yes, meet our policy commitments and we would like to be able to unpack where the standard, where the forest code lands. I had a look a while ago, I don't know if there has been any other changes to it, I was largely happy that when I put the CIFOA plan, which is the State Government Coastal Forestry Integration Assessment plan, or whatever they call it, side by side with the Private Native Forestry code. The prescriptions for habitat and tree preservation per hectare were measurably higher than the Forestry Code. That has led a discussion where we're going, if Private Native Forestry are going for this, why don't we see how we can lift the game for the other code, that's promising*



## Differing views

If PNF is to be a source of native timber, Company x will have the same strict requirements that is already has in place when making purchases.

- Company x is interested in PNF, but the representatives wanted the message to be clear there will be no compromise in their standards for how the PNFs are managed and native timber harvested. Their standards, regardless of where the timber is sourced has to be of the same high quality if they are to consider purchasing it

*The fears that you referred to earlier around some private land, they are doing their own thing, they still need to satisfy an end market and if we were to be part of that end market we would look to put a stake in the ground to say meeting our requirements or being a supplier to us looks like this. We would hope that would be a strong enough market signal to guide the right type of behaviour*

Company x recognises they might need to invest in the concept of PNF if they want regular supply produced at the standard they require.

- Creating trust between suppliers and Company x was discussed. Finding a workable way to ensure PNF can be a reliable source of native timber may require companies like Company x to offer support. There is recognition it is expensive to create a sustainable native forest and there may be ways Company x could assist in this process. This is in keeping with their earlier discussions where they discussed the need to have an active interest in the native timber sources

*I think a lot of these investments, they need to pay off on both sides so for a supplier to invest in the systems and the processes and the work that would be involved, they would need to feel that it is worthwhile for them as well*

*Long term established supplier relationships are the best ones when they work well and often they are the ones that work best because you have that relationship apart from just the transactional part. We have had a longstanding understanding as a business that it is a good way to do business, to be in partnership with our suppliers*

A group certification scheme is essential for two reasons; one to ensure there is a robust process in place for native timber harvesting; two, to try and dampen those opposed to native timber being harvested.

- The certification process will need to be in place and enforceable if Company x is to consider supporting PNF, investing and purchasing. A group certification scheme ensures there is a robust approach that is defensible and transparent both of which are essential not just for the ongoing production of native forests, but for there to be trust in this process

*There is no such thing as immunity because the criticism will come regardless of what standard you're at. It's about having a defensible position that makes sense to the consumer and being transparent about that. That's what certification brings, is that transparency. You've got an independent governance system overlaying, so anyone who might think that government systems have got their own interests and are driven by industry outcomes, when you put the certification over the top you've got independent auditors that are checking to an internationally agreed set of standards that are above and beyond the code of practice*



## Differing views

- A scheme is currently in place in Queensland and being managed by Responsible Wood. Company x suggested LLS should be observing this scheme with the same degree of interest that Company x has as this is seen as a strong test to see if PNF can be a success

*I would as part of this exploration process for LLS I would recommend they talk to Simon Dorries at Responsible Wood about a scheme that is gaining momentum in Queensland for certified Private Native Forest, that is going to be the example about how this can be done and it's accelerating at the moment. They are in the preparation stage*

*It was on and then it was off and now it sounds like it is on again*



# Differing views

## 6.2 Landowners

LLS sent out invitations to their database seeking landowners who would be willing to participate in this research. There are three groups of participants who were appropriate who are classified into the following groups:

- Conservation covenant
- No PNF plan
- PNF plan

In addition, another participant was referred to Stollznov Research via a KOL.

In total, eleven participants were interviewed.

## 6.3 Conservation

Two participants in this research are using their property, or part of their property for conservation purposes and they will be referred to as a 'private conservationist'.

### Summary

There are many reasons private conservationists decide to investigate and then proceed with a conservation covenant. A conservation covenant is a legally binding agreement for current and future owners, and it is noted on the title deed of the property. It includes commitments towards their forest such as adhering to a management plan; restrictions may be put in place such as not allowing for clearing of vegetation.

Two participants were interviewed: one has a Biodiversity Conservation Trust (BCT) and the other a Conservation Covenant.

### Conservation motivation

- Private conservationists are interested in locking their properties into an agreement because:
  - They are retired and have the time to devote to their forests and properties
  - Appreciate nature
  - Have environmental aspirations
  - Interested in environmental techniques
  - Want to create a healthy forest
  - Enjoy the forest for the values it holds within rather than financial values
- Both participants have received financial funding and support to create and maintain their forests
- Weed management is a constant issue and one that requires constant attention
- Participant 1 has an additional forest without a binding agreement. They are using this forest to practice forestry techniques that are not allowed under their BCT



# Differing views

## Findings

### Participant 1

Participant 1 has a long history of working on the land which up until recently has involved animals and pasture. A move to northern NSW was motivated by a need to distance from managing a property with animals to focussing on properties with a forest and working on how the forest can be best developed. One of their properties has a biodiversity conservation trust and the other they are not locking into an agreement but are using as a space to develop a forest using a different set of environmental approaches.

- One of the Northern NSW properties is approximately 90% forest and the other a working property

*What I have done with this one, I've got a BCT (Biodiversity Conservation Trust), but not all of it, it is just over half. I have kept another part of the forest because I want to be able to do things differently. I want to see the difference. If I want to take down some trees I can take down some trees*

Participant 1's motivations are unusual because they are taking the two pathways and using the approach to compare the results to each other.

Their interest in the environment has been ongoing for their entire life but it is only now they are focussing on forests, having moved away from animals.

### Motivation

Participant 1 has a long history with animals. They moved from Victoria to NSW and purchased two properties. On one of the properties, they were agisting animals, but were upset by the impact they were having and decided to remove them from their property and just dedicate it to the forest.

*This place actually had cattle on it, it was agisted and at first I thought this is fine, but I've got two beautiful creeks, the cattle were making a mess of the creeks. Even though the owners said, no they don't eat the oaks and they don't eat this, that and the other, of course they did. When the drought came, I left them in too long and I was starting to get more weeds*

There is a genuine love of the countryside and the beauty that a forest offers. This participant decided it is important to uphold these environmental values so they can continue to be enjoyed.

*The reason I bought this block at Tullymorgan is that I've got two beautiful creeks and I've got beautiful eucalypts*

Having a vision of how to create a forest and with a strong environmental focus is a motivating factor. Not being content with simply allowing a forest to naturally expand, this participant has actively engaged in a program to enrich their property and develop their forest to a far greater extent than when they purchased it.



## Differing views

*I've got bees but I'm interested in the whole idea of improving the biodiversity, biodiversity credits in the future. I'm also growing trees, 200 acres and there is about 60 acres that is bush with some beautiful old trees and in the middle of the block it was grassed area and I've had a thousand trees put down one end to link but they're koala trees, but they are put very closely. I'm thinking in time I will do agroforestry..*

### Approach - Biodiversity Conservation Trust (BCT)

The agreement they currently have includes the following:

- There is a payment of \$15,000 over 3 years to help them prepare their property
- At the end of the 3 years they can make another application
- Part of the requirement for the successful application is having a koala on the property

Since embarking on this project, this participant has engaged Envite which is an organisation in partnership with World Wildlife Fund. As part of the process, Envite has planted 1,000 trees. This process means the forest is being constructed in a controlled way.

*WWF, they've come in and our funding a crowd called Envite. Envite has already been on my land, they have planted trees, they've planted 1,000 trees, I said I was really interested plus I've got koalas; I was their first one. It took me six months. The next one, I've got the next-door neighbour who has got a bigger property, they have got over 800 acres, they are on the Kooyong State Forest, they are doing a bit of a BCT as well and they have got koalas*

The biggest problem this participant has is the issue all with a PNF face, which is the constant attention needed to maintain the weeds and in particular, in this location, lantana. Lantana is difficult to remove and requires constant attention.

*The idea that you get \$15,000 for three years for the BCT and there is a lot of lantana. You think why can't they get something to get rid of lantana, some little bug, CSIRO, I have got a girl working for me who is absolutely brilliant, we are hopefully going to get rid of the lantana, there is a lot of it, and then open it up and let more of the native bush come back*

This participant has one frustration with the BCT approach. They agree removing weeds is important, but the restriction on cutting down trees or maintain the forest using the approaches of First Nations did, is limiting as they feel this only encourages fires, not stops them.

*I think the only thing wrong with the BCT is you can get rid of lantana, but you're not supposed to cut down trees. I think any small trees I'm just going to do it anyway. I said this to Georgina, First Nations they kept the bush, but they didn't really have bush in a way, they had trees. I think this is how it is better, and it is better because then you don't get the fires*



# Differing views

## Personal forest approach

The other part of participant 1's property is dedicated to the approach they have decided on and one they are solely responsible for. This participant is very specific about the types of trees they want to grow; trees that can be used for making furniture is their focus.

*The idea is that you can sell some, I love the idea of furniture timber*

## Forest management

The key management principles this participant discussed that is different to their BCT approach are as follows:

- Thinning the forest: Participant 1 firmly believes this only advantages the forest and, as stated is one aspect they are at odds with in their BCT forest

*..sometimes you do have to thin out and that's what I'm doing*

- 'Cool burns': Fires are considered an essential part of forest management for participant 1. They have observed how First Nations approached the management of the land before first settlers and has adopted some of these techniques on their own property

*I'm trying a few things out now, I let an area grow and I'm doing cool burning with First Nations, I've been doing that for three years instead of cattle*

*I'm trying to look at it differently because I think looking after the land, but as I said, going back to First Nations their principles they had beautiful pastures, beautiful trees, they didn't have cattle or sheep, because they used cool burning*

- Participant 1 continually educates themselves on farm forestry techniques. When they first started farming in Victoria, they were not familiar with the practices but took them onboard to become familiar with the techniques available. They have applied the same approach to farm forestry

*I did every course under the sun and at the time, this was 30 years ago .... We started doing things before a lot of farmers did it because I wanted to do the best possible, like preg testing ewes, growing plantations, improving your soil, improving your pasture*

## Contractors

Participant 1's second forest, the one they are cultivating, will put them in a position where they can harvest in the future. They have considered how they will approach this when harvesting is required.

### Lack of faith in contractors

- Contractors are not to be trusted according to participant 1. They are focussed on what they want to take out, but not on the rest of the forest. It not only creates a 'mess' but it leaves the forest in distress

*What's really interesting, I had some people wanting to come and log it, but my knowledge of people who come and log they do not look after the other trees, they make a real mess*



# Differing views

## Choice of contractor

The type of contractor this participant would look for is one who is from a small sawmill and one who would individually cut the trees. This type of contractor's equipment will be better suited to a smaller forest like theirs

- Would harvest their forest by getting someone from a small mill and would individually cut down the trees

*To find somebody who knows timber, who has got a mini mill, who would come in and very carefully cut down the tree and cut the wood up there and stack it there, that's what I would be aiming for. I wouldn't be getting the big logging trucks coming in, no way, because I've seen them up our way and they make such a mess*

## Expectation

Participant 1 wants their contractor to understand and respect the values of their forest. They want them to understand the habitat and be respectful of all species, not just the endangered ones.

*They are big and they just go in and take so many other trees down and their habitat. My concern is that sometimes they take old growth trees that really shouldn't be taken down and I'm very mindful now that we've got a real issue with owls, barking owls and that sort of thing, we have to get that balance back, we never will mind you but at least up here in the Clarence Valley we're trying to do some reasonable things. It is all about balance*

## Participant 2

Participant 2 summary:

- Participant 2 has a property that is near the Tweed River
- They described it as being 3 kilometres deep and half a kilometre wide
- Half of the property is forested
- Part of the property is on steep land that has never been logged and is old growth forest
  - Below this point has been logged, but not since the 1980s
- The rest of their property is used for pasture and to agist animals

## Pathway to conservation covenant

Participant 2 considered 3 options for how they wanted their land to be managed. These were:

- Carbon offsetting
- Carbon sequestration
- Conservation covenant

Carbon offsetting was the first option they dismissed. It is not how they wanted their property to be used and questioned the value of this concept. They feel this concept is being used by



## Differing views

companies like Santos, and these companies are only involved so they can justify new projects such as fossil fuel exploration. This is not in keeping with their environmental values.

*I can take the money, but they are going to be used to create more gas or excavate more coal. If there was policy around carbon credits and there is a saving that can be used to offset existing projects for things we need like cement works etc, that would be less ideologically challenged*

Participant 2's son is heavily involved in a carbon sequestration company and there was considerable pressure placed on this participant to go down this pathway.

The decision to have a conservation covenant came about because both the participant and their partner felt they wanted their property to mirror that of a National Park. They are most comfortable with having a forest that, aside from weed management is allowed to grow with minimal intervention. Additional reasons for why they made this choice are:

- To keep the integrity of the forest
- Their forest can never be logged but cannot be used for a carbon sequestration either.
- To support koalas. Participant 2 believes there is a need for more Grey gums; this species has been used for timber, fencing, farming and furniture and this has been to the detriment of the koalas.

### Forest management

To create a healthy forest, participant 1 is/has introduced a variety of species. They felt the need to do this as the logging that has taken place on their property in the past has taken the better species. They are working towards introducing a mix of species to ensure the forest can rehabilitate and become healthy again.

*Healthy forest is the right combination of species, they logged the good stuff, the tallow wood, the iron bark but leave the flooded gum, they are a pioneer species, they are great for things like parrots to feed but don't produce hollows or bark sheds, but in terms of biodiversity they are not of great value. You want some, but only between creeks and the forest*

The hardest part of managing their forest is weed management. They have applied for grants which have allowed them to work with bush regenerators and now have created a forest which is almost 'weed free'.

*We keep the weeds out, once it thickens up, things like lantana all the things that can come in and stop it thickening, those environmental weeds, they are crowded out. So we do a lot of weeding ourselves, but also get grants for bush regenerators that take out lantana and keep open areas in the forest.*

This participant has worked on their property for 20 years. They are satisfied that over this time they have created a forest that is almost weed free and has seen the return of many species that were not on the property when they acquired it.

*We have been working on property for 20 years, but we've lived here for 17. The forest is largely entirely weed free. It now has a good cross selection of species in right the place. We now have nesting boxes and sooty owls have come in. We are surrounded by high quality National Parks*



## Differing views

### 6.3.1 Landowners - No PNF

Four participants who do not have a PNF responded to LLS. The four interviewed were the first to respond. Two of the participants are not interested in harvesting their forest, one is interested but has family pressuring them not to harvest and the other knows they have valuable timber but is uncertain if or when they might harvest.

#### Summary

- All participants place a greater value on the environmental and personal benefits of having a forest than the potential financial benefits
- Participants are interested in having 'healthy forests', this could be described as their main goal
  - Only one participant holds a strong view on a healthy forest being one that is mostly left untouched
- Forest management is a constant challenge. Managing weeds and pests are issues all participants contend with
- Harvesting is of interest to two participants; these participants have a focus on both the financial benefits but also forest health
- Information participants are seeking regarding their forest is focused on weed and pest management. Participants are interested in having better access to information
- There is limited knowledge about PNF. Those that have some knowledge about PNF were only focused on the role of the contractor and how a contractor can be held accountable. There was no mention of the forest values associated with a PNF

#### Findings

##### Participants

The four participants described their properties as follows:

##### Participant 1

- 125 acres in Nambucca
- 60-75% of this is forest
- Some of the land is cleared
- Constantly managing re-growth and weeds (lantana and introduced grasses)
- No logging has taken place since 1997 on their property which means there is desirable timber standing

##### Participant 2:

- Subtropical forest
- Lives on 26 acres and has only 1-2 acres that is cleared around the house.



## Differing views

- Has lived on property for 27 years
- Long skinny property bordering on two State forests
- There is a maintained road that goes through the property

### Participant 3:

- Was living in Canberra but wanted a change of lifestyle. Wanted to make a contribution to the environment and try as much as possible to live self-sustainably
- Property information:
  - 330 acres near Kempsey
  - The land was overused, and it is their life goal to restore it
  - Their approach embraces sustainability to the point they use animals rather than machines to work their fields
- Land was overused and their goal was to make it lush again

### Participant 4:

- The property is 300 acres of which half is forest located in the Wauchope area
- They used to have cattle but due to their age, they are no longer interested in continuing that practice. Additionally, farming was never their primary source of income as prior to inheriting the property, they were a full-time schoolteacher
- Believes their property is not large enough to be viable, as is the case with many properties in this area

## Valuing a forest

Forests are valuable for many reasons; they have benefits for the participants, animals and species, they are 'beautiful' and provide many benefits across a broad range of needs which include human, environmental, animals and species.

All these participants derive considerable enjoyment from having a forest on their property. The reasons they gave for enjoying their forests include:

- It provides a 'clear headspace area' because it is a relaxing and calm space. It creates a 'beautiful place' for one participant; it is their personal oasis
- They know it homes native animals and species which give them a sense of purpose and enjoyment

*...trees give us both the beauty and the habitat for the animals. We do have koalas, also lot of other insect life and other creatures in the forest*

- Having the forest means they are contributing to the environment. They are grateful they can be in this position and even though their property is small, being able to preserve that space is satisfying.
  - This participant is considering getting a conservation agreement
- Providing a home for animals is a significant reason for why these participants have a forest. One participant holds considerable concern for the wildlife and has placed cameras



## Differing views

in the forest. The data from these is analysed by family members and monitored to see if the animals' needs are being met and if any changes are noticed

**The health of the forest is of interest to these participants. The term 'healthy forest' resonated with all as it is ultimately how they would like to be able to describe the forest on their property.**

There are many aspects that need to be considered when describing the forest as healthy. All these participants are actively engaged with their forest; they take the time to assess it, keep weeds at bay, and a couple of them are heavily focussed on the biodiversity and other environmental values that are thought to be important for the creation of their forest.

The aspects that make a healthy forest were described as:

- The trees within are still growing and producing trees that could be harvested
- The canopy height and how even it is indicates approximately when and which the trees were last cut
- If there has been any burning
- The types of animals that are living in the forest
  - Koalas are not a good indicator of a healthy forest

*Healthy forest: Healthy forest is for them, one where it is still producing millable logs, and growing. You can look at the canopy, the top of the trees and they are fairly even. That gives me an idea it is a while since we cut any. We don't get bush fires. Haven't had to burn it in 50 years. There are roads all around it. It can be damp, but only time before a fire goes through. Did have a neighbour used to burn each year and neighbour on the other side does 3-4 acres every year*

*He really values that it does have a lot of wildlife that is not increasing in this valley. Wallabies live in there and eat people's gardens. Never found a koala, council have gone looking for koala scat. Guy next door has had them - he has never seen them. Thinks they would go through it. Interested in the biodiversity including animals. He likes the difference between the amount of biomass on a grazing property and his*

- One participant has a set of goals for their forest and it actively working towards ensuring their forest has the right mix of species of trees and shrubs, they engage in forestry practices such as pruning trees to ensure they can reach their potential
  - The forest at one stage has been heavily logged. The trees in it are Spotted Gums and Ironbark
  - The goal is to bring more diversity into their forest which means introducing tall trees, shrubs, smaller trees
  - The quality of the topsoil is of concern so there is a focus on improving this aspect
  - Thinning the forest to give some trees their best opportunity to grow is undertaken by this participant
  - A dam has been placed in the middle of his forest to avoid evaporation
  - The timber produced from the forest will be used to make furniture. The milling process will be done on the property



## Differing views

### Forests are healthy when they are left to grow naturally

One participant is not active in their forest. They are comfortable with the approach of leaving the forest to manage itself. They weed occasionally but find working in their forest compromising as the block is steep and access is difficult.

- This participant leaves the forest mostly untouched
- They have made no attempt to plant any trees or bushes
- Some essential weeding occurs but the forest predominantly is left alone
- This participant does not believe in concept of thinning a forest preferring the National Parks approach to forest management over any alternatives

### Forest challenges

Managing a forest presents many challenges. Finding the most effective strategies and techniques particularly for weeds and pests is information participants are interested in.

Consistent with all other feedback, it is the weeding and pest management that are the most difficult aspects of maintaining a forest. It requires time, dedication and money and these are not always readily available. Some strategies were discussed but knowing how, when and who should be managing these strategies is not always information participants have at hand.

The main difficulties raised by these participants are:

- Pest and weed management becomes harder as the participants age
  - They are not as physically able
  - Help is scarce if it can be found at all
- Knowledge on how to backburn; approach, techniques, when, and how to manage the process is limited. Some feel they should backburn, but are either not confident of have had poor outcomes in the past

*My partner did have a burn that got out of control and got up into the State forest in about 2003. The rural fire chief off the record thanked him because forest hadn't had any burning for 2 decades*

- One participant's property was significantly damaged by the 2019 fires. From this experience they are now committed to backburning. One of the main issues they now face is the abundance of weeds. They have had input, both information and physical help on how to rehabilitate their forest

### Forest values influence harvesting likelihood

Deciding whether to engage in forest harvesting will depend on the values a landowner places on their forest. Those committed to low interference will never harvest. Some are interested but only to a small extent and the remainder are open to harvesting but mostly that decision is financially motivated.



# Differing views

## Anti-harvesting

The reasons some participants gave for why they will never harvest are:

- The sound of trees being cut down is unpleasant

*Hate listening to the trees coming down - apologies to every tree coming down - hate it, but sometimes it is necessary and precarious and they have to come down. They are going to fall*

- Post-harvest landscapes are not just unattractive but confronting
- There are considerable amounts of 'waste' left on site which is not just unattractive but wasteful. If trees are to be harvested then all of the tree should be used

*..what do with this wood now it is down, how can they use it so it has another life-chipped and mulched...*

- One participant understands it will become a habitat for other animals, but despite this knowledge, they find the leftover debris confronting
- One participant is concerned about erosion and what harvesting might do to the soil
- The financial aspect of harvesting a tree is disturbing for one participant. Their world view is that a tree being cut down is only for the benefit of the landowner

*I don't think there should be any cutting down any trees in Australia or for the planet. It upsets me when people feel encouraged to cut down trees to make money. The guy next door doesn't need any more money, he does all this stuff and he's only made \$6K by the time he paid the contractors*

- One participant believes harvesting creates fire hazards
- One participant believes the PNF guidelines are not strong, and people are 'doing terrible things to their properties'. Contractors play a role in this process, and most contractors are not trustworthy

*Heard that you can't trust the PNF. You can see what people are doing to their properties and the contractors getting in are just not trustworthy.*

- Family pressure can be a barrier to harvesting. For one of these participants, their daughter has a strong interest in the environment and has pressured the participant not to harvest. They are interested in keeping the environmental values of the family forest intact, and harvesting for them is not acceptable

*My daughter is an academic. She is a geneticist, and she wants it left as it is for biodiversity. If she can use the biodiversity to help make a living off that is good. She has been studying bees for 2.5 years and intends to do more of it because it is a mixed native forest, it has what she calls small trees within the trees, blackbutt and the hardwoods. We think this will supply a lot of honey flows throughout the year rather than the bees having to travel from one place to another*

## Limited harvesting

There are some conditions where harvesting is acceptable, although it is only small-scale harvesting that does not use heavy machinery that will be tolerated.



## Differing views

These participants have strong feelings about the worth of a tree. For a tree to be harvested, there has to be a reason which might be to make some furniture (a common response) or for some other significant reason. Harvesting a tree for financial gain is frowned upon by these participants, but using the timber for a tree to make a meaningful contribution is considered acceptable.

### Harvesting - with considerations

In this group of participants, there were two who were interested in the potential financial benefits of harvesting some of their forest. One is limited by their daughter's influence, but they can see the benefits of harvesting. The two main benefits raised are financial and forest health.

### Financial needs

**Financial needs could influence a landowner without a PNF plan in place to considering harvesting their forest.**

The financial benefits are tempting for some participants. Owning a property is expensive and there are times when the income flow is low. It is at these times when participants will consider harvesting some of their forest.

*I am thinking about the property. I do not want to be greedy, it is not a lot of money, but this might pay for maintenance for other part of the forest or property. It is about finding the balance as a landholder*

One property has had a history of harvesting. Prior to inheriting this property, the forest was logged semi regularly. This was at a time when there were many local sawmills in the area. The motivation was financial in these circumstances.

*About every 20 years it got logged. There was timber mill on the property in the 30s. During WW2 there were 40 mills in Wauchope. There are none now except some tiny little ones that are moveable. In the past, if they needed to have timber, if things were not going well, my mother would get timber cutters in and send them off to the mill*

This participant has considered doing harvesting some of their forest. They are regularly approached by contractors but are confident the price they are being offered is too low. They asked those in the local area what price they were given only to find the price they were offered was considerably lower.

### Forest health

**The health of the forest is key but if a harvest was necessary, ensuring it was performed properly with the health of the forest being the focus.**

One participant has a concept of forest health, part of which includes harvesting. This participant values their forest for reasons beyond financial gain; if they were to harvest, they would want to be active in the decision-making process about which trees are to stay and which can be harvested.



## Differing views

*We haven't logged for years but my daughter wants to keep the trees for the animals. Eventually she will have to log some and that is ok. The only problem is, we would really want to retain the right to log it. When we did log it, we only wanted it to go down to a certain size. We do not want a clear fell*

### Information

**Information sources for farm forestry are not thought to be readily available.**

Participants were asked where they would go if they wanted information about farm forestry. A small list was generated but this was mostly the input from one participant. Local Land Services is an organisation that would be considered if they are interested in finding out more about farm forestry.

**The information sources suggested are:**

- Not sure
- LLS
- Companies that work in their local area
- Neighbour recommendations

*Wouldn't have a clue, but I'd start with LLS and start with a couple of companies on the coast that offer those services. I would say, 'what is the go', and get advice*

Only one participant discussed their experience when seeking new information. This participant is interested in bees and was trying to determine if there was information about the best place to store their bees during winter. They approached LLS, the Department of Primary Industries and the local council. None of these organisations were able to provide helpful information on this topic.

**Information about farm forestry includes better forest management and weed management.**

Only two suggestions were made about information they would like to have about their forest. One participant is interested in ideas for better managing their forest and the other thinks they are managing it well by not interfering with it but is curious about whether their approach to lantana management is appropriate.

*One guy has people riding through it on their horses. I wouldn't mind running cattle if necessary, but maybe it is not necessary. I would like greater access to forestry information. What can do with the left-over timber because in the end, if I can't utilise it, it's a waste.*

- What do to manage the lantana

*I don't do any thinning; I leave it as it is. In a way, that keeps out things like lantana. If you clear a track through it, you'll get lantana. I like to keep it as pristine as can be. I likes it being the way it is, but I don't go through it very often*



# Differing views

## PNF – knowledge

This group of participants has limited knowledge about a PNF plan and what it provides. The main feedback is associated with contractors, their role, forest knowledge and pricing.

One participant defined a PNF plan as follows:

*PNF plan is the permit and the legal steps and what you're allowed to harvest and what species and ensure you have enough diversity. You need to have enough of an understanding of your property and what exists there and what is reasonable*

- The other participants are unaware of any other requirements of a PNF plan.

## Contractors

Participants have many concerns about contractors and their lack of confidence in the role contractors play could be enough to deter them from harvesting.

The information participants who are interested in harvesting would like to know about a PNF plan were only focussed on the role of the contractor. Knowing what price is reasonable for their timber, or at least knowing how to determine if the price is reasonable, is helpful information.

*How can there be consistency of pricing? It is not unreasonable that it is not straightforward pricing but ballpark figures are not acceptable*

Interested participants would also like to understand how they can determine if the contractor will be one that values their forest and will leave it in a condition after the harvest that will not be a 'clear fell' but be selective. These participants, if they were to consider harvesting want assurance it will be a genuine selective harvesting process.

*What is involved in each tree, they are not doing that mass felling, selective felling and what each tree is looked at and what is involved*

Interested participants know they have limited experiences with contractors. One experience a participant has had in the past with a contractor has left them with a poor impression of this industry. The contractor said they had a certificate but did not produce it. They asked the contractor to leave. This type of experience adds to the hesitancy of landowners who might consider harvesting.

*I have known a lot of timber cutters and only used a couple and they have to be professional. Once guy wanted to cut down some trees years ago, I needed to fund something, but I needed to see his certificate of currency on the insurance policy. He had one log down but hadn't shown the certificate of currency. He says, 'I don't work like that, I work with railroads, they cover it'. I got this guy off my property*



## Differing views

### 6.3.2 Landowners - PNF Plan

#### Summary

Five participants with PNF plans in place took part in this research. This group of participants is different in their approach to their forest and their plans. They ranged from smaller operators, one who harvests only for forest health reasons, to one who has a forest of significance which makes an important contribution to their income stream. All discussed the importance of forest health associated with a harvest.

There are many reasons why participants are involved in PNF which include financial security, forest management, and providing a needed resource.

Key points raised by landowners with a PNF plan include:

- Harvesting creates a disturbance, and some participants believe this is necessary for strong regeneration to occur
- Forest management is essential; this includes weeds and pests monitoring and thinning as the basics. Some will use additional approaches
- Weed management is a constant issue in most forests
- There is no 'one way' to approach forest management. The values the landowners hold will influence how they approach management
- Creating and maintaining a healthy forest is key for longevity. Aside from weed and pest management and thinning, there is also awareness of the need to have a forest that has variety and appropriate species
- Harvesting is an important part of managing the forest. Participants take an active role in each stage of this process. They choose the contractor carefully, are involved in the planning and execution of the harvest. Contractors, even the ones highly regarded, are still closely monitored
- Ensuring the price offered for the timber in these PNFs is an important part of the process for participants who harvest frequently. There is an awareness of the cost of all stages of timber production
- Some participants are not interested in the financial aspects of harvesting; they harvest only for forest health, not financial gain
- Forests are and should be seen as an asset. Managed properly they are a valuable source of income
- Potential entrants into PNF need to be educated, and part of the education process includes a focus on issues that include risk management
- PNF applications are straightforward although many rely on their contractor to oversee this application



# Differing views

## Findings

Participants in this group provided the following information about their properties.

### Participant 1

- They have a PNF but also run a small sawmill.

### Participant 2

- Multi-generational family-owned property
- Property is located in a highly fertile area that includes rainforest and eucalyptus
- Cattle are a part of the makeup of this property; they have a forest and occasionally log
- This participant grows pine trees in addition to their native timber

### Participant 3

- This participant has 290 acres and a large part of this is dedicated to forestry
- They run some cattle
- Enjoys the forest and has done some logging

### Participant 4

- 1452 hectares in Northern NSW
- Forestry is important to the property income

### Participant 5

- Lives near Casino and has 5,500 acres
- 1500 acres is forest
  - Owns some plantation forest that was purchased from Great Southern Plantations
  - When they purchased this forest, it was poorly managed, had the wrong species, the timber was woodchip grade. The trees were removed and replaced predominantly with grazing animals

## Ideology

**Participants with PNF plans in place hold strong views on forests and how they are managed. Their core belief is disturbance is essential for re-growth and this is a concept that is directly opposite to the views held by environmentalists.**

One participant described how they believe forestry has come to be in the position where it is perceived negatively. They point to when forestry came to use damaging equipment which caused too much disturbance and created too much damage.

*I think forestry got a pretty bad name, there are a few reasons. Large scale, post Second World War, forestry really got going. Forestry got a bad name in the late 1960s and 1970s when the Forestry Commission at that stage in NSW allowed the use of much larger, more heavy-duty machinery which was much more disturbing to the forests. To*



## Differing views

*some extent I blame people like the chainsaw manufacturers and the large earth moving machinery manufacturers like Caterpillar for inventing and selling ever bigger and more productive machinery. Ever bigger and more productive machinery is inevitably much more damaging to the remaining trees that aren't logged, the soil that the trees are growing in and this becomes pretty visible, it is even happening with us as well*

Among these participants, there is a consistent belief that for a forest to be healthy, it has to experience a disturbance. In the past this could have been fires or earth changing events. They feel there is strong evidence that disturbance is necessary and the only way to grow new and stronger trees.

*Originally, I started cutting poles using a small chainsaw and a small agricultural wheel tractor to pull poles out of the bush. Nowadays we've got a logging contractor in, he is using a harvesting machine and a large scooter and an excavator and of course their disturbance footprint is 10 or 20 times as great as what mine used to be. It looks bad, at least initially after a logging operation and people think, gee the forest is being destroyed. What people don't realise is that disturbance is pretty much essential for a regeneration and that's the second problem and that is the problem of clear felling. Clear felling in the Victorian forests and the southern NSW forests in particular was pretty unpleasant to look at but clear felling in those sorts of ash bred forests is actually the harvesting technique which most closely resembles the natural process of destruction and regeneration that occurs in those forests as a matter of course. That is that those forests grow into very large, tall forests, large trees, tall trees. Then there is either a catastrophic bushfire which is a normal thing, similar to 1852 or 1939 or the recent one in 2019/20 which wipes out large areas of forest and then you get a whole lot of regeneration and off the cycle starts again. In a production forestry, clear felling more closely emulates that than any other harvesting system such as single tree selection harvesting models*

There is disagreement in this group about the type of machinery that is used. One believes the machinery is now too big and aggressive, where another holds firm to the belief that the more disturbance the better and the equipment currently being used is appropriate.

*Yes, that is quite right. As it has turned out the disturbance carried out by the harvesting machine going through the bush, getting these large dead standing trees and quite a lot of them, the disturbance has trampled an enormous amount of the wattle and that has stopped the wattle growing and has allowed a whole lot of eucalyptus regrowth to come through*

There is a clear clash of philosophies between those who believe disturbance is necessary and environmental groups who believe any disturbance is not just unnecessary but detrimental to the forest.

*All those things look pretty ugly and therefore you get people who think this is terrible and it really should be stopped. Hence you get these irreconcilable differences between Greens who don't want any forestry at all, certainly nothing that looks like clear felling or group selection forestry harvesting systems and forestry professionals who realise that the only way to get good regeneration in ash bred forest is to actually clear fell them*



# Differing views

## Forest management

**Forest management is important. Weed management is a focus along with thinning. The personal values of the landowner will influence the approach and extent of harvesting.**

PNF plan participants actively manage their forests, although there are varying degrees of engagement among this group. Weed management is the key focus which is managed by fire and animals; thinning is an accepted practice. The extent to which a forest is harvested depend on forest values, and forest purpose.

**Native hardwood, particularly eucalypts are easy to grow**

Eucalypts for some participants are considered to be easy to grow in certain parts of NSW. These are valuable trees that require little input by the landowner

*Eucalypts are the ultimate Aus weeds, they just grow. Trees grow rapidly where I live.*

**Limiting weed growth is key to having a manageable forest.**

A common approach to managing a native forest includes continuous clearing; this is done by burning and the use of cattle, both being effective at limiting weed growth. Some claim they do little with their forest once a harvest has taken place.

*You fell the trees and you put the cattle in there and the job is done. Nothing happens after that.*

*The trees just grow back themselves.*

*For every tree you drop you get five new ones, there is no maintenance.*

*You light a fire, and you burn a bit of rubbish, you keep your tracks clean, we don't really do any maintenance*

*We burn it occasionally, probably not as frequently as we should be. We try to prevent the fuel load getting too high. We attempt to manage it for weeds and pests, things like foxes and lantana, sometimes with success and sometimes without success. We try and keep it reasonably well fenced and run cattle in it to help keep the fuel load down as well*

**Smaller landowners with limited resources describe weed management as the key issue for how they manage their forest.**

The larger the investment in a PNF, the less the management of weeds and pests is the key focus. Smaller landowners who do not benefit from their forest being a key income source are in a continuous battle with the weeds. This is due to a lack of resources available.

*We try and get rid of all the lantana and obnoxious weeds, because I'm on my own it's a bit hard sometimes. I go around on the quad bike; I have got a spray pack on the back or go around with the secateurs*



## Differing views

**Thinning the forest is considered as important as weed management by some participants.**

Not all participants are satisfied with the approach of 'harvest and leave'. The more engaged landowners pay more attention to their forest and actively thin their forest as they see necessary.

*We do attempt to practice a certain amount of silviculture either at the time of harvest or at other times by thinning and removing trees that are either poor in form or over mature. We try and keep a reasonably rigorous forest*

**Landowners will vary in the aspirations they have for their forest. There is no 'one rule fits all'.**

The approach to a forest and harvesting is described by one participant to be highly individual. One landowner will have different aspirations and commitment to their forest, which results in different approaches and aspirations.

*It's good and bad but sometimes because they're close together and they are small and grow into small power poles and people do a little logging operation to take the small power poles out and leave the other trees. There is not one rule for everybody, every forest is different, every landowner wants different things*

**Participants do not take shortcuts by harvesting trees too early.**

Participants with a PNF plan are aware of the regulations associated with harvesting. There is a commitment to ensuring they wait until the trees are ready to harvest as they understand harvesting inappropriately not just convenes the PNF code but also undermines the health of their forest. They know a tree is ready to harvest when:

*When the trees are at a certain diameter, you don't take the littler ones*

These participants firmly believe it is in their best interest to respect their forest and their properties. This provides them with the livelihood not just for now, but for the future as well.

*It goes hand in hand, if you don't look after the land, it won't look after you.*

**Participants feel they are educated on the importance of a healthy forest. They could speak at length about various technical aspects of forestry and take considerable care in ensuring their forest meets the high standards necessary for longevity.**

Participants collectively contributed ideas about what makes a healthy forest. Their thoughts are as follows:

- A forest can grow to a certain height based on the type of trees the forest contains. If the forest has not reached the optimal height, it is likely because it was not thinned
- It is important to have mixed species in a forest. This ensures strong forest health. It is unlikely for example that a whole forest could be infected by one disease. Having a variety provides some insurance that most of the forest will survive if exposed to disease
- Too many weeds limits the health of a forests



## Differing views

*A healthy forest is the one that is natural and without obnoxious weeds and regenerates itself and that has happened too, I can see the trees that are slowly creeping down the ridge closer*

- One participant discussed the need to leave a certain number of feed trees to ensure the forest is healthy
- Poor timber in a forest is a limitation and needs to be removed as it is non-productive and can limit the forest
  - Trees that are not performing should be removed to allow the young and healthy ones to grow
- Care needs to be taken to ensure there is enough space or room between each tree. Thinning a forest ensures the forest has room to progress without hindrance from ineffective trees
- Intensive logging is problematic because the impact that has on a forest last for a considerable length of time. Care has to be taken to ensure the process protects the forest in both the short and long term

*Yes, it's not a real income source unless you are going to go right through the property and some do that and that's what a logging company did ages ago, you can still see the tracks and what they built up the back, they are still all there. The forest has taken over and I heard that they did get into trouble for clearing too much. It's all back there now and plus we've got forestry land at the back, I'm trying to think what it's called at the back of us, the trees in that have never been touched and they are beautiful, absolutely beautiful*

- It is important to take an active interest in the forest. A forest cannot grow without some kind of intervention. It requires the landowner to educate themselves and then put in place correct procedures. It is important to be involved in each stage of the harvest to ensure the best results can be achieved

*I did a course with Melbourne Uni, a post grad certificate and learned about forestry through that. When I logged, I tried to address dying trees and got on and employed someone to fell the trees and cut the timber and then negotiated with the mills the cost of transport. I got a lot of money out of it and paid off my property*

- There is no support in this group of participants for the concept of 'locking up a forest'. They hold the belief that for carbon dioxide to be absorbed, it requires a young growing forest. An older forest has absorbed as much carbon as it can and is no longer a productive way to absorb carbon

*When it comes to carbon sequestration that's not going to get us out of the soup either because nearly all biological systems of growth involve what you would call a sigmoid or growth curve. A small amount of growth then rapid steep growth and then a tapering off at maturity. Forests are the same and carbon in forests are the same. You can't lock up forests and expect to get rid of all the carbon dioxide that's in the air because the forest will soak up a certain amount of it and then it will stop soaking up anymore, you can't do it*



# Differing views

## Contractors

Contractors play a pivotal role in the harvesting process. Finding a contractor who is honest, reliable and prices fairly but who also understands the forest, its needs and how to harvest so as to allow it to be productive in the future is a challenge.

Participants with a PNF plan are wary of contractors but because they have more experience in forestry and managing the process, they have formed a process for how they engage one.

### Characteristics of a good contractor

- A good contractor is described as someone who:
  - Understands which trees to take and which to leave and communicates this with the landowner
  - A contractor who is adaptable to the situation
  - One who prices fairly

*That's fine, there is hardwoods and the bloke that does it, Adam, he is really good because he only takes certain trees because he has a contract so he gets the spotted gum and different things. He says what he's going to take*

*We've got a logging contractor in to get some of the dead trees for a firewood market, which he has. We told him that we weren't prepared to let him hand fell any of this stuff because the wattle surrounding all these dead trees were so thick that you couldn't get away when you were felling, and it was dangerous. He had to use a harvesting machine which he then had to go and buy*

### Choosing a contractor

Choosing a contractor is an important part of the harvesting process. These participants believe they know how to source an honest contractor. If they do not oversee the process themselves, they will ask locally for recommendations.

There is a number of ways participants might choose their contractor. The main ones are:

- They supervise the harvesting process
- They ask in their local area for recommendations
- They might approach the local sawmill
- They get a few quotes so they can have confidence in the pricing

*It's a multiprong thing, the bulk of the value in the timber that we have is electricity poles, which we sell to some people called Koppers Wood Products. We've been selling poles to Koppers since the late 1970s. I have a long-term relationship with Koppers and when we felt that we wanted to do something about these severely fire affected areas, we were looking for a slightly specialist logging contractor. I went to Koppers and said, there are a few poles here, there's a few salvaged logs, but there's an awful lot of firewood, have you got any logging contractors working for you at the moment that might be able to handle this. The Koppers procurement forester said, yes, we've got such and such and he has a firewood business as well as being a more conventional logging contractor, who supplied us with poles for a couple of generations now, we*



## Differing views

*went with that bloke. I also checked up on him elsewhere to make sure he was somebody who pays his bills. That was all good, so that is what we did*

*It's like when you get your car panel beaten, you go and get a few estimates, or you get a new fence on your house you get a few quotes and it's the same as the timber. If someone wants to log your place you ask them what they're paying and then you ring up other people that want to buy logs*

*You ask other people, what's the last place they logged*

*Ask the sawmillers*

### Managing a contractor

**There might be confidence in the contractor chosen but this does not mean the participant will not give clear instructions on how they want the harvesting to proceed. A watchful eye is maintained throughout the process.**

When the participant is confident they have chosen a contractor they believe they can trust, it is still important to them to be proactive in the harvesting process. The ways they manage the contractor are as follows:

- It is important to provide the contractor with clear instructions and their expectations about how they want their forest to be harvested. Having experience and knowledge about forestry is essential as it prevents their forest from being poorly harvested and protects its future ability to produce quality trees. It is also important to protect the forests for all the other values it provides (environmental, animals and biodiversity)

*The attitude is that as long as they look after the land and the trees and if they see anything in the trees like a koala or any native animals like the bellbirds, if they are around don't log there. They have got to look after the wildlife, they do that, they are local*

*Yes, the Land Department they know him as well, he's a local boy, he's not a fly in fly out, rip everything out, we don't like that*

*Didn't think we would do more logging, but realised if needed money quickly I could get it out of the forest. I was totally in charge, I inspected the sites and ask why chop down this tree and why didn't chop that one down*

- Throughout the process, it is important to be present when the trucks are leaving with the logs. It is important to verify that what was agreed on has taken place plus know how many logs have been taken.

*Get in contractors who know and respect and agree on a royalty and each load take out, he checks what they are taking out is what they say. They are all honest but need to check*

- All participants agree that there needs to be an element of trust; they cannot always be present and co-managing the harvest, but being as present as they can be to make sure the harvest is to the standards they require is important to these participants

*Yes, there are, and I think they are gradually getting weeded out but that's quite right and you really just have to pick the best available logging contractors and like all other*



## Differing views

*business transactions, it's a matter of trust. In the meantime they also need to be supervised*

*We do keep a bit of an eye on them, and we say things to them like no, we think it's a bit too wet you better not be here for a week or so or those tracks need draining and general guidance things like we prefer to see you take more or less of a particular class of tree in order to leave the stand in the condition that we're looking for. Element of supervision, yes*

### Contractor honesty

**The reputation of contractors is improving, although some believe there are still dishonest contractors operating. Participants believe landowners are better informed now than in the past, but poor experiences with contractors means those looking to harvest will approach the contractors warily.**

- Having a productive relationship with a contractor is important. The industry is thought to have improved but many believe there are still dishonest contractors operating

*They steal peoples logs and pay them nothing and threaten them, those people still exist in the industry*

- Participants believe landowners are more aware of their responsibilities and are now better equipped with information to negotiate with a contractor

*Most of them have more of an idea now. People don't own land and be fools, especially if they've owned it for a long time, they know what they're about*

### Contractor - high grading

The one practice participants are most concerned about that poor contractors engage in is high grading. High grading is where the best trees are taken out in a harvest. The impact this has on the forest is significant because it leaves the forest depleted of its strongest and most virile trees. This limits the successful regeneration of the forest in the years to come.

*That's a concern and high grading is not one of those things that you really should be doing if you're in forestry and good quality forestry management for the long term. If you own your own sawmill you can choose the trees that get cut down and put through the sawmill and that will have an effect on the subsequent quality of the standard of timber*

### Value of timber

**The financial benefits from participants harvesting vary depending on the size of the property, the quality of the timber and the attitude towards harvesting. When treated as an incomes stream, forestry can be an important income stream for a landowner. Not all participants regularly harvest, one only harvests for forest health and has low financial expectations.**

The financial value of timber is important to these participants. Like anything they produce, getting a fair price, while maintaining forest values, is the positive outcome they are looking for. These participants are pragmatic about the value of their timber. Not all participants



## Differing views

view their forest as a reliable income stream. Some will only harvest if they need money while one harvests for forest health rather than financial gain.

- Participants are aware of the difference between high and low grade of timber. The low grade is used for pallets. Higher graded timber is versatile and in demand so therefore attracts a higher price

*It feels they've been ripped off, maybe they had a lower grade type of log too, that couldn't go into anything else other than pallets. Whereas if you have got a forest full of blackbutt that is going to go into your flooring and into your high-grade timber, they're going to get more for their log*

- Participants understand they are the first stage of the pricing process. They appreciate that there are many aspects and stages of the pricing process in place; they are the beginning, but their timber will eventually end up with an 'end-customer'. Those also in need of payment, and who influence the pricing, are the contractors, haulage, sawmills and the buying/selling process. Each of these stages, plus the quality of their timber, will influence how much the participant will be paid

*That's the beginning of the timber journey. It is also dictated by what the sawmiller is going to pay and what he is going to get for his finished product. You can't pay a property owner a ridiculous price if your finished product, that has gone through the mill and cut up and put on a truck, if you're not going to get anything for it*

*You've also got the big blokes at the end, the big flooring people and whoever we sell our timber to, saying we're only going to pay you x amount for your sawn product. Down the chain and all our costs involved we can only pay so much for the log*

*It can be complicated, I guess the system that you would describe it as is a residual log royalty system. Logging contractor there are several cost components. There is the cost for felling it and barking the tree, there's the cost for snagging it to the dump, servicing it and loading it on the truck and then there's the freight component which is the truck from the log dump to the sawmill. The price that the sawmill pays is effectively the price for the log delivered to the mill door. If the price delivered to the mill door is \$200 a cubic metre the logging contractor then deducts the value of all of his cost components, fall bark, load etcetera, freight, and what is left over, the residue, is the royalty which the forest owner gets. It's a residual log royalty system which effectively means that the further the forest is from the sawmill the lower the royalty is*

- Some participants are less focussed on the financial value of their timber. They harvest for forest health rather than financial gain

*It's because Adam is a good neighbour, he's good to us, he has that contract, and it does help the other young trees to come up. He'll take the good trees and other trees around here; they are fine, and they are the same kind of tree. Might take one and four young ones growing up*

- Participants might also choose to harvest when they have a financial need. If there is no need then it is unlikely they will harvest

*What normally happens, the forest is used as a piggy bank. If there is a drought, kids need schooling, take whatever you can*



## Differing views

- Being a forester can be financially beneficial according to one participant. This participant reflected on the 'luck' that came with their father not clearing the forest on the property in the 1970s, as the money they have made from trees has exceeded what they believe could have been made by raising cattle

*Dad bought the place in 1970 with the intention of actually clearing the whole lot and running beef cattle, that never happened, and we realised that we would be able to make much more money if we managed the forest as a production forest rather than clearing it for cattle. The flatter areas of the place carried natural stands of tea-tree which we then put into a plantation to produce tea-tree oil. That's why we've got the forest. We ran out of money to clear it.*

*It turned out that we have done better out of it than we would have done out of the cattle anyway*

- One concern raised by these participants which they feel might be a limitation for those with a PNF who want to harvest is the lack of information about what is a reasonable price for their timber. The regularly advertised prices for agricultural products is easily accessible information, but nothing like this exists for native timber. It is thought to be helpful if there was some way this price could be standardized

*A lot of the mills will not give prices, they should have a matrix this is how much you'll get per cubic metre. If they take it away, so many metres, thinnings etc, the farmer doesn't know anything about it*

*If you look in The Land every week there are prices for just about every other agricultural commodity but it's very difficult to find prices for hardwood timber. If you look in Friday Off Cuts which is a weekly newsletter for people interested in forestry, Friday Off Cuts gives an export pine log price every month but once again no hardwood pricing. The only way to find out what hardwood pricing is to go to a sawmill or a logging contractor, you very much become a price taker and unless you go around a whole lot of sawmills and a whole lot of logging contractors you don't really know whether the price that you're discovering is the right price or too low or unrealistically high. That's a major problem. There is no transparent pricing for native forest timber and as far as I'm aware there never has been. I think that's a big mistake*

### Forests are an asset

**There is potential for landowners to improve the value of their properties by becoming involved in PNF. This will require education, but the education has to be thorough and include the risks that are associated with PNF such as fires, and long-term investment.**

Landowners are not universally thought to understand the many benefits of having a PNF. Some participants see one of the biggest obstacles to PNF is the lack of understanding of how a PNF can offer diversity to the landowners' income but also the environmental values it will bring to their property. They feel that there needs to be an investment, both time and money, in approaching landowners and educating them on the opportunities associated with PNF.

*Average landowner regards himself as a cattle man - government can't get them to change that. Don't see that as forest management, don't know species, don't regard as*



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*land managers. Have to get over that hurdle, that is where people are at - can't progress until that is fixed*

One of the key areas, should an education program be devised it will need to focus on the economic risks associated with a PNF. Many landowners are not wealthy, so to convince them of the benefits of growing a PNF, an asset that might not be realised in their lifetime, will require considerable persuasion. Landowners will need to see the benefits both long and short term of embarking on creating a strong PNF.

*Finds it frustrating that LLS has no corporate knowledge left - too many restructures - all aspects not just forestry - 12 month contracts - after 12 months haven't found feet, geography, people communities. The medium house income \$569 per week and government doesn't understand that. They need to understand their customer base. Part of that has farmers attitude to learning and risk. Am I going to risk planting trees in this paddock, not a simple matter for them. Easier to stay with what they know*

### PNF Plans – Process of application

**Applying for a PNF plan is straightforward although experience on how to make the application is necessary. Contractors often play a pivotal role in the applying on behalf of the landowner. Some participants would like better direction on endangered species and the likelihood of these being on their property.**

Obtaining a PNF plan is thought to be straightforward. An application is made to LLS by either the landowner and/or with the help of the contractor. The PNF plan takes into account many aspects of the property, what is and what is not allowed to be harvested and includes a focus on the environmental impact a harvest can have. Participants are seeking stronger clarification about whether they have an endangered species on their property. They are not experts and need to be confident before harvesting so as to not be threatened by the EPA.

Participants did not seem to find the application process for a PNF plan difficult. The process they described involved the following:

- The landowner calls LLS
- LLS send the paperwork
- The instructions are clear and as long as they are followed, the application will be successful
- The paperwork can be emailed, delivered or posted to LLS
- LLS are reported as being helpful throughout the process

*It's not too complicated really, I think you send them a notification that you want to carry out some production forestry. They then send you a whole lot of stuff about mapping and so on, you prepare a map and a harvesting plan, and you send it back to them and they give you, they don't quote and mark it for you and say it is very good, high distinction. You send all that back to them and give them a start date, an estimated finish date and then they send you back an approval. They tell you where all the threatened species sightings have been within a certain distance of your property*

- Key to a successful application is the availability or creation of a good map



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*Very much, if you've got a good contractor they know how to read the map and if they've been mapped correctly or not or they say you've got rainforest and it's not rainforest. LLS are there to help you*

- Contractors are often involved in the PNF application process. A good contractor will talk through the paperwork with the landowner and discuss where they want to harvest and then discuss together the many decisions that have to be made

*Normally the landowner does but Adam does all the paperwork and brings it to me and says, this is what we're going to do, are you happy with that, what area do you want us to log in, and we talk about it, and we work it from there. He's very good like that. He had a thing to come back and do some logging for nearly a year, but it has been so wet, no-one can log*

- Key aspects to include in a PNF plan application include, roads, thinning, where single selection or group selection will occur. This information is accompanied by a map

*They like to know where you're logging, they like to see a harvesting plan, where you're going to put the roads and which bits are going to get thinned or which bits are going to get single tree selection or whether you're going to join any group selection and they like to see all that on a map. That is roughly the system*

- The PNF plans take into consideration many aspects of the property but there is significant attention paid to the animals that might live in the forest. This goes beyond koalas to all animals that need to be considered. This might make the plan more complicated but there is a recognition it is good for the environment

*It is not hard to read, there is more trees and it's not just about koalas but it's about all the other animals*

*You need to read now, and the old stuff and the new stuff is very restrictive, to us, but it's good for the environment*

- There were two opinions about the PNF code and the recent changes made to it. One participant thought the restrictions were positive and fair, the other feels they have been made without consideration or discussion with the landowners

- Positive response

*As it is now, you've got to leave so many different size recruitment trees, you can't just leave all little ones, you've got leave your hollow bearing trees, your medium size trees and smaller trees. When they changed it recently, it's more restrictive. Your buffers are bigger, it was 5 metres, and it has gone to 10 metres. There is more timber being left behind, you can't harvest what you used to be able to harvest*

- Criticisms

*It's a little bit too far, nobody wants to see the animals be extinct*

*It has gone a bit far. Saying that bracken fern is now something you can't mulch or mow or anything because it is considered koala food. In your PVP PNF there is a list of species and different whatever, vegetation, that you can't touch*

*They did the new with no consultation, they did the new act, and they didn't consult with the people, with the landowners, nobody*



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- The only feedback about this process which some participants find frustrating is LLS will alert them to the species that may exist on their property that are endangered, but it is not until they harvest, they might find out they actually have the species. If they harvest and have made an error, they are fined. They are seeking better direction on confirmation these species do exist on their property

*They tell you what threatened ecological communities are likely to be present, but no-one will tell you, despite being pressed quite hard, no-one will tell you whether you have or don't have threatened ecological communities. You have really got to log it and find out if you get into trouble to work out whether you've got one of them*

*They won't tell you specifically yes you've got it, you've just got to try and work out whether it is or it isn't yourself and until there is some sort of EPA audit at some point you may never find out whether in fact you have it or not*

### Concerns

There are many concerns held by these participants about the native timber industry. These are being placed in this report despite not all being directly related to PNF. The participants were eager for their thoughts to be recorded and put in a report.

#### Industry closure - human impact

**There is concern among this group of participants for the native timber industry. The prospect of native timber harvesting ceasing in State forests is causing them significant distress as the impact will be not just financial, but societal as well.**

Closure of State forest harvesting will cause a loss of jobs in the following areas:

- Transport
- Contractors
- Sawmills

The impact will then be felt in the broader community as those supporting the industry will also lose their jobs and the local towns and communities will become 'extinct'

*Identifying and backing it would be good. Landholders are about managing their bush to sell it and not get ripped off is a good thing. Not to forget about the employees, they are not always the people in society that can be the doctors, lawyers and dentists. They are a different group of people that thoroughly enjoy their job and they need their job*

*They are still Australian, and they deserve to have a job and not be thought of as bad people. Five, ten, thirty people have lost their jobs and the ripple effect of that is terrible*

*Tyres, taking their car to the mechanic. Everything everybody needs to live, get their groceries or they go on a holiday, everybody needs a job to do that. To be felt as part of society*

*They are usually small communities that work together, play together, drink together. You're supporting the servo, the pub, the post office, the bus run, the school,*



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*everything. That's the ripple effect. It is in our community because our local shop does the post, does the fuel and there is a primary school, there's a hall, there's a tip, there's a pub and all that*

There is concern those who work in the industry are not people who are easily re-trained. These people enjoy all the aspects of their jobs and the concept of native forestry ceasing is concerning.

*They like working hard, they like working with timber, they like cutting it up*

*Being outside and getting dirty. Seeing the finished product and putting it on the truck and that it goes to a good use*

*Have pride in their work, even though they may not have finished school or have all their teeth, they are people*

Industry closure - resource impact

**Ceasing harvesting in State forests is viewed with displeasure by these participants as they believe the products from the State forests are essential, environmentally the best option and fit for purpose.**

Participants all believe that native timber is an essential resource and an important one for Australia to maintain. The example of power poles was used and one which native timber is best suited to, the alternatives having far worse environmental impact.

- Native timber is an environmentally friendly resource suited to many uses

*We're still doing power poles; Coffs Harbour Hardwoods is still doing power poles and Williams and Koppers and Dale and Myers. We've still got hardwood power poles. The big steel ones, a big wind in a bushfire and they're gone*

Industry closure - financial impact

**Many believe the contribution the native timber industry provides to the economy is vastly underestimated and would like to see its contribution properly recognised.**

There is a strong belief the native timber industry creates what was described as 'small communities'. It is frustrating to those in the industry when their contribution is minimised or ignored. They would like to see more public discussion on this point so there is a more realistic understanding of the contribution the industry makes to the community.

*Years ago, I don't know why we had to, but we went to our accountant to find out what we were worth. At the time I think we were only turning over a bit over a million a year and that turnover and he said you've got to times that by 10, that is your value to the community or the industry, or whatever*

Industry image

The image of the industry is thought to be poor, and participants consider this to be unfair. They have confidence and faith in their industry but are concerned potential interest by landowners in PNF might be limited by the attention the industry receives.



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*Being somebody who is in favour the continuation of native forest logging and Native Forestry more generally, these days it's a bit like being a cigarette salesman and the professional forestry has been terribly maligned and bagged over the years. If you say you're a forester people think another bloody cigarette salesman, that's the sort of feeling you get from people who know you're a forester, which I'm not*

### State government responsibility

**Participants believe the state government has a responsibility to provide materials that will help build much needed houses and buildings.**

Participants believe it is state government responsibility to provide the material that allow the construction industry to make homes and buildings that people live and work in, in NSW and the rest of Australia. Aside from the obvious outcome of more timber having to be imported, participants feel that by not allowing timber to be harvested in the State forests, it will drive up the price of timber. There is a strong belief that if harvesting in the State forests is stopped this decision will be one that is acting contrary to the best interests of the greater population.

*If you close native forest and then you put that much pressure on the private native forest, it won't work. The government should supply or be able to have a cheap building timber for the people to build houses, not an unaffordable product. They should have a duty of care so people can build houses. You're digging a hole to make steel, it's not renewable whereas timber is the ultimate renewable*

### The Great Koala Park

**The Great Koala Park is not supported. Participants believe it cannot function as a tourist attraction as koalas are secretive and difficult to see. The impact on the regional areas will be significant, with farmers losing their leases, undergrowth will be allowed to flourish, and the intensity of fires will increase.**

There is no support for the Great Koala Park among this group of participants because they believe it will not be in the best interests of the forest, local towns will be dramatically impacted, and koalas are not animals that are easily spotted and therefore unlikely to be a tourist attraction.

- The immediate impact of the Great Koala Park will be that farmers will lose their forest leases when they are currently running cattle. The advantage of having cattle in these forests is that they maintain the undergrowth to an acceptable level. If the undergrowth is allowed to grow then when there is a fire, the impact of that fire will be significantly greater

*There is a lot of stress on anybody in the timber industry because you've got that Great Koala National Park hanging over your head. Not only, farmers are going to lose their forest runs, their forest leases, which they've had cattle, which will be a National Park, they won't have it anymore. That's going to create more bushfire hazards because the cattle kept the grass down, the sticks burnt, fuel load*

- There is concern the local towns will be dramatically impacted and will turn into ghost towns as the koala park will not offer any employment. These participants can see no economic advantages to the Great Koala Park



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*If they create the Koala National Park the implications of it are going to be huge on the rural towns. We're going to be ghost towns, poor towns. People aren't going to come to look at koalas and if they do they are going to leave their rubbish and they're going to bring diseases, and you're not going to see them*

- There is also confusion about how the Great Koala Park will manage to satisfy visitors interested in seeing a koala. Koalas are not thought to be social animals and most participants, despite living in a rural environment rarely if ever see a koala despite knowing they are on their property

*We've got koalas at the mill, they are everywhere, but they don't want to be seen. You see them for a day and then they're gone*

- Some participants feel the land for the Great Koala Park is capitalising on trees in Coffs Harbour that were planted for the purpose of harvesting. They are in good condition because they have been well managed which is not a good enough reason to now claim them for a different (and dubious in their collective opinions) purpose

*The trees are a renewable resource. Coffs Harbour's were planted for timber purposes*

### Importing timber

All of these participants are in agreement importing timber is a short sighted and limited concept. These participants cannot understand how switching to importing timber is of any benefit to Australia. They feel if this was to happen, it would be difficult to justify as there are many questionable sources where timber is imported from. Ultimately, they believe it is better to support the local industries where there is visibility and control over how it is produced rather than rely on overseas imports.

*Should try and make your country better and your jobs and opportunities for people better. If you don't want global warming why cut trees down somewhere else and put them in a boat and send them to Australia*

### Government - lack of support

- Some participants feel the native timber industry is vulnerable to negative publicity because of its limited government support. They believe the government is not as invested in this industry because unlike other unpopular industries such as mining, the government is not as dependent on the native timber industry. If this industry does not appear to be making money for the government, then it is an industry vulnerable to being dispensed with.

*Does the government make that much money out of a coal mine or everything else, they don't make that much out of the timber. When people see on the TV a forest and the Greenies, it is an emotive thing, a cuddly koala mascot. They don't tell the truth about the koalas and what is happening*

### Recreation opportunities - less options

Participants are aware of the intention for the State forests if native timber harvesting is to cease is for them to be merged with National Parks. One of the flow-on impacts of this will mean many activities that can currently take place in a State forest will not be available as National Parks allow fewer activities.



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*State forest is not just timber, there is camping, motorbike riding, horseback riding, pushbike riding, in some areas they are open to shoot the ferals. There is so many different things. If it's all made into national park, all those things will stop. It will burn from one end of the country to the other*

### National Parks - poor maintenance

The poor maintenance of National Parks was raised. There is a strong belief National Parks are not well maintained and this poor maintenance has led to these areas being significant fire hazards. The lack of hazard reduction alone is of great concern to these participants.

*Still fires in the wintertime, haven't done a hazard reduction in 40 years, you're going to get a fire that you're never going to stop. They've had them*

### Adaptability

- A point raised by one participant, who is not critical but interested, is that one of the risks a landowner takes when deciding which tree they will base their PNF on is trying to determine what will be the 'timber fashion' in the future. Once a PNF is planted, it is difficult to change.

*Timber industry needs have changed -when first started, had mills chasing them wanting blue gum, now couldn't sell it if it you tried. They chop and change, now they want the light-coloured flooring, before wanted darker ones. As a forester how supposed to manage this*

*Can't just change the species over night*

### Property ownership

- An issue a couple of participants raised is the trend they are seeing where land holdings are decreasing in size and these smaller properties are being purchased by those wanting a 'sea change' and like the concept of owning a property. These newer owners are thought not to have a strong concept on how to manage their property and less of an idea on how to develop and manage a PNF

*These city people buy land, they might like the views. They like the aesthetics but they don't know what they have got and they don't know how to value their property for bio-diversity*

### Poor information - trees for koalas

- One participant is concerned that information is being provided about the appropriate trees for koalas, despite the fact that the species are not suitable for the local environment

*Forestry is going to forest and yet they are planting koala trees with species that shouldn't be in the area because it is not the right species*

### Real estate agents - misinformation

- A concern was raised about the selling practices of real estate agents. To entice a potential customer, it is believed real estate agents will, as part of the sales pitch, lead potential buyers to think that if they buy the property, they can immediately harvest and



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recoup some of the expense of the purchase. This is often misinformation and not in the best interest of the forest

*Real estate agents will advertise a property as having harvestable hardwood timber (subject to approval). What happens is these people buy land and find the trees are actually in poor condition*

### Realistic goals

- Participants are aware growing a forest requires time and money and is a long-term prospect. They support encouraging and educating landowners, but they feel the goals of forestry need to be carefully described so as to not present any false concepts associated with a PNF

*There are a couple of problems that we have, firstly the cost of all of those things is substantial and forestry being a long-term activity, spending money now you don't get a return from for 30 years is not a great economic model, for a farmer who has to pay the rates, interest, etcetera, wages*

- One of the issues participants feel needs to be addressed in future education programs and part of the goal-setting process is how to manage fires. Fires are a major risk to those growing timber and the ways harmful fires can be mitigated needs to be addressed

*It has actually done a really good job, we have got this great eucalypt regrowth coming through in all this trampled country, that's only seedling and coppice regrowth and it's probably going to be another 3 years before we get some decent timber back in there. It's a long-term process, in the meantime we're getting a little bit of money for the firewood that is being sold, not much and we're really subsidising the forest activity in that area with the proceeds from selling livestock and tea-tree oil*

### Increasing costs - sawmill closures

The costs of harvesting native timber have increased and one of the influencing factors has been the closure of smaller regional sawmills. When timber is harvested, it now has to be transported for longer distances, adding to costs. The additional cost is not just financial, but environmental as well, with trucks having to spend longer time hauling timber to reach a sawmill.

*That's right, if you've got a sawmill 10kms down the road, the freight component is somewhat less than if the sawmill is 200kms down the road. You would be absolutely staggered as to the distances logs are carted these days; you would be just amazed. Forestry has been desperate to keep timber up to some of the crown mills, the large crown mills that have crown quotas, quotas of timber from the State forest and they've been prepared to cart saw logs from the south coast of NSW up to Hurford Hardwood at Lismore, that is going all the way up the Princess Highway, over the Harbour Bridge, all the way up the Pacific Highway and deliver to Hurford's, that is just ludicrous. Surely to God they can find timber closer than the south coast to send up to Hurford's. Koppers Wood Products, poles have been buying timber from well into Queensland, out of Queensland and down to the Koppers plant at Grafton, once again hundreds and hundreds of kilometres, pretty stupid stuff*



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## Environmental group - frustrations

### Summary

Landowners with a PNF find the arguments put forward by environmental groups to be misleading and difficult to understand. There is animosity towards them not just because they hold beliefs that could impact their lives, but because they feel their beliefs are designed to be deliberately misleading.

### Findings

#### Environmentalists will shift focus to the plantation industry after native timber.

There is concern that the 'Greens' will not be satisfied with closing down the native timber industry but will also be using the same approach with plantation timber. One participant believes the 'Greens' will use arguments like the following to discredit plantation timber.

*The Greens have an argument if you do a plantation it is taking water out of the environment, that is what is causing the droughts or floods, one of the two*

#### Management of rural areas is healthy despite the often-presented position that environmentalists present.

One of the reasons why these participants feel anger towards the critics of their industry is they firmly believe that if the rural community did not know how to manage their properties, the quality of the land would not be usable. These participants are frustrated their management is criticised and yet their properties continue to be productive and the native life is abundant.

*You've only got to watch what happens in other countries, then it happens in Australia. They are trying to blame the timber industry for the global warming, it's easy just to take a bit of forest and make it into a national park or make it into a reserve, restrict plan use on property owners. It's an extreme view, the people in the city they don't know, they don't know how to manage the bush, they have no clue. If people are so bad mismanaging the bush there would be no trees, there would be no logs, there would be no koalas, there would be no kangaroos, there would be no wallabies, there would be no cockatoos, it would be all gone*

#### Carbon credits are a concept that needs to be better explained. There is scepticism about this concept.

Landowners use of their properties for carbon credits is not understood. These participants have a basic understanding of how the process works, but feel the concept is flawed, poorly understood and not effectively explained.

*I'm not 100 percent sure what it is, not locking up our land to big polluters. I've only read about it, recently learnt that that's why the Koala National Park is on hold so the government can claim its carbon credits. It's a bit like Bitcoin, if you can't touch it, feel it, understand it, don't go near it*

*There's a fair bit of woolly thinking going on. The carbon schemes through dishing out ACCUs to people all over the country for avoided forestation or human induced*



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*regeneration, I really strongly suspect that is all smoke and mirrors, I think it's dodgy. I think it will be seen to be dodgy at some point. The ACCUs are not worth the paper that they are written on, but a lot of people will make a lot of money out of it, particularly the agents and the middlemen and the auditors and the soil testers and all that. The dumbass cockies won't make money in the long run*

**Conservation covenants are available but the money provided is not thought to be enough to maintain a forest properly.**

Conservation covenants are another option for landowners. These are viewed as limited because the landowner is provided with a financial incentive, but the money will be quickly and easily spent on forest management. It is not seen as an income producing activity.

*It's locked up for perpetuity and it has got to go with the next person that buys the property. All it is big businesses polluting and being able to write it off on somebody else's paddock. They are getting paid, and they are getting paid to do fences and reduce weeds and make that stuff grow, it's not good income*

*Conservation WWF have no idea what it really looks like to manage a forest. They want them to lock up that space but it costs money, at least two people full time, trucks, etc to maintain the weeds and conservation values.*

*These groups really don't understand what it costs. If I had to fence my forest, I would need half a million to fence it properly*

**Locking up a forest is a popular concept but ineffective**

Participants believe the environmental groups position on 'locking up a forest' is opposite to what needs to be done for a working forest. Locking up a forest is viewed as a 'fashionable' concept but not one that helps the forest grow or protect the forest from weeds, pest, or fires.

*In relation to social licence the people who don't run forests and who do supposedly care about the environment and the habitat for native animals and carbon storage, all those fashionable topics like to have the vicarious knowledge that the forests that exist in New South Wales, Australia, wherever and the values that are embodied in the forest, all those things are well managed. When they think things need to be well managed they need to be not touched by human hands and effectively be under the control of a knowledgeable and competent National Parks service, that is really what they think*

**Timber importation from overseas forests is exploiting poorer countries.**

Importing timber from overseas is not viewed positively by these participants. They cannot understand why the 'Greens' would prefer the Australian forests to be closed but at the expense of forests from overseas countries where the environmental values are not under government surveillance and where presumably irrevocable damage is occurring to those forests.

*I think the Greens have got enough brains to think through the broader issues, but they have an end in sight and the rape and pillage of forests in Papua New Guinea, Indonesia, the Solomons, Malaysia, the Philippines, you name it, Siberia, they rape and*



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*pillage of those forests is the price that the Greens are prepared to pay for a complete closure of the forests in Australia. I'm sure those people have thought that out*

**Environmental damage can be created in many ways; excessive timber haulage is also bad for the environment.**

Greater environmental damage is being created due to the impact the changes in native forestry industry. It is frustrating to some of these participants that due to the closure of the native timber industry in Victoria, for Victoria to now secure Australian native timber, timber has to be transported from Tasmania, an environmental concern in itself.

*a sawmill in Gippsland last year and possibly still operating that was partly private owned, it might have been all government owned, it was owned by the Victorian government I thought, there was some government ownership there somewhere and because of the shortage of logs in Victoria they were buying logs from Tasmania. The log truck was driving onto the Spirit of Tasmania, landing in Melbourne and trundling off to Gippsland, what is going on. It is completely loopy stuff. This is what happens when you get powerful Greens having an effect on government policy and the really ludicrous contortions of policy and administration that take place, it is just too silly for words*

**Wood chipping is used to describe the wastefulness of the timber industry.**

One participant believes the Greens point to the native timber industry as being wasteful because it turns most of the tree into woodchips. Woodchips are part of the leftover tree or how poor-quality timber is utilised. The reality is there is less of a market now for woodchips and there are fewer sawmills who will make them. This is creating an issue for the industry but it not one being properly presented by the Greens.

*Rarely a market for woodchip anymore. You haven't got a completely paperless society but there's not a lot of paper being made. The world has changed, but in Australia there is only a couple of woodchip mills, in Tasmania, there's one down the south coast at Eden. Most of the chip that gets made on the north coast, goes in as boiler fuel because there is no market for it*

- The argument for leaving the parts of a tree that would have in the past been used for woodchips is that the leftover tree becomes used by the environment and highly valuable during its decomposing stages. The issue is that it often looks messy after a harvest

*When you fall a tree you can't take the whole lot of the tree out, you've got to leave that there because the bugs and the grubs and the beetles eat that and it decomposes back into the forest to make the nutrients in the ground, it breaks back down, you can't take the whole lot out*



# Certification

## 7 Certification

### 7.1 Certification - KOLs

This section is divided into the following:

- Responsible Wood / PEFC
- FSC
- Issues with certification

The KOLs who contributed to this section of the report are certifiers, auditors, and those who are being certified.

#### 7.1.1 Reasons and process

##### Summary

- The purpose of certification is to ensure forests are well managed and sustainable
- In NSW, there are different attitudes towards PNF. Among them: highly engaged and think to the future, conservation order, financial gain only and no forest management and unaware their forest is a valuable asset
- Certification by Responsible Wood includes forest growers, sawmills, secondary processors, wholesalers and merchants. FSC certifies plantation and native timber forests.
- There are many benefits to being certified; the management system and auditing ensure the forests are well maintained, consider the species mix and look towards being sustainable both now and in the future
- A PNF plan is adequate and it currently what the majority of landowners have
- A sawmill that accepts timber from Forestry Corporation can blend in some PNF timber and still be classified as certified wood
- Certification, while beneficial is expensive, and this has to be taken into account by landowners applying for certification
- Aside from the financial outlay to obtain certification, there are some KOLs who are not convinced the other benefits warrant the effort, as demand for native timber is high and the timber can be easily sold with or without certification

##### Feedback

**Certification is designed to ensure the forests are well managed and sustainable. It is a standard that those who qualify must follow. Responsible Wood (PEFC) is a certifying organisation. FSC sets a standard and has certifiers who determine if a forest meets the FSC standard.**



# Certification

The purpose of Responsible Wood is to ensure that good forestry practices are applied to a forest to ensure the outcomes are sustainable. The outcomes include economic, environmental and social. Additionally it focusses on the chain of custody, a term used to ensure that the supply chain is verifiable and credible. The standards are regularly reviewed, updated and certification bodies are educated and trained. Responsible Wood might also look after the databases of some accredited organisations to ensure they are maintained and kept up to date.

*Responsible Wood is what is called an accredited standards development organisation, we're licenced by Standards Australia to develop and write Australian standards. We look after two standards; the first one is the Australian Standard for Sustainable Forest Management. It's about how do you practice good forestry; how do you ensure that the forests are well managed and sustainable outcomes. That's economic, environmental and social*

FSC has a similar position on the importance and reason for certification

*The final goal, the end, end goal for FSC is to make ourselves irrelevant, to improve forest practices to a degree across the world where there is no need for certification. Where you have good forest practices and protection of work as far as indigenous people that comes with certification. We're not quite there yet unfortunately. For us it's to improve forestry practices for certificate holders. Some would say it's about getting a price premium that rarely gets paid. You get an assurance that you're harvesting sustainably, and you have a third party that gives that assurance or you can use that to show to investors or concerned stakeholders that you are doing this to FSC, generally regarded as gold standard in the world. If you can meet FSC certification you have reached the highest level of sustainability and certification*

**There is a range of PNF types in NSW that Responsible Wood have available. The different approaches to PNF are: run like a mini Forestry Corporation, conservation order, harvest whatever is available now, and unaware they have an asset.**

There are different types of landowners who have PNF plans; landowners will use their land in a way they see best. Some landowners understand the value of PNF and will manage it with the future health of the forest firmly in mind. They are foresters and value the forest for more than just the possibility of financial gain. Some do not want their forests touched and will go so far as to place a conservation order on it. There are landowners who once they see the financial gain their forest can bring them show no concern for the forest, allow high grading to occur, take the money and not invest in managing the remains of the forest. Others are unaware their forests can be a valuable asset when managed properly.

*Starting where is private native forest at, there is state codes of practice and regulations that refer to private native forests. Some private native forests are very well managed, you have got educated people who see forestry as part of their core business and every ten, twelve or even less than that years a contractor will come in, they will take a few loads of logs and there is a nice little cash bonus.*

*There are some people are a bit more environmental conscious and they want to protect their private native forest for conservation reasons and that's fine. There are others, often times there are absent landowners for example, who are quite happy for, I don't say there are rogues or cowboys, there really isn't, it is very well regulated.*



# Certification

*There will be companies who will come in, they will harvest, they will do a process of what is high grading*

**Certification includes forest growers, sawmills, secondary processors, wholesalers and merchants**

A KOL who runs a sawmill explained the process of certification from their point of view. They are certified by Responsible Wood. They receive timber from Forestry Corporation and can promote themselves as 'chain of custody providers' under the Responsible Wood program.

*We're certified under the Australian Forestry Standard or Responsible Wood as a chain of custody operator within that system. That is largely courtesy of the fact that we receive controlled wood from Forestry Corp. We don't get any controlled wood from private native forest but let's just say it's 50/50, 50% of the wood comes in which means that we can sell 50% of our wood out as controlled wood. We can promote ourselves as chain of custody providers under the Responsible Wood program*

There are many requirements placed on this sawmill to maintain their certification. They are audited annually and they need to demonstrate they are following the standards they are certified on.

*The actual auditing for us to maintain that accreditation requires that we pretty much, we have to follow the same system all the way through on all of our wood. We have to do due diligence on any of the wood that we're receiving, including the private property, appropriate approvals are in place, that they're being followed, that people are being paid, that our workers are given a safe workplace, that everyone in the chain understands what is going on and that is part of what we're doing. There has to be a full document system all the way through, it's a bit like a QA system*

FSC certified sawmills can take timber that is not from a FSC certified forest, but it cannot then make the claim it is FSC certified timber. There is some allowance for blending FSC timber with non-FSC certified timber, but this is only to a small extent and there has to be duty of care to ensure this timber has been sourced from a system that is sensitive to the values of the FSC standard.

*Noncertified organisations do have an opportunity to supply their wood into the FSC system as controlled material. That's the only way noncertified material can enter the FSC supply chain*

**There are many benefits to being certified and belonging to a certification scheme.**

The benefits of being certified for a PNF according to Responsible Wood (PEFC) are access to the following:

- Management systems
- Auditor
- Professional forester providing education and support
- Clear felling cannot occur
- Improvements can be made



# Certification

Landowners who want to harvest need to have a PNF plan. If they are certified it will then allow for:

- Management plan in place
- Managing and harvesting the forest properly
- More thought given to the forest itself; working towards better quality water, erosion, protecting soil
- Processes and procedures
- Have someone checking that what they are doing is being done properly
- What they say they are doing, is in fact being carried out
- For example - a new creek crossing has to be put in; a management plan will provide a procedure to ensure the following:
  - Minimal interference
  - Bridges, even if they are temporary

**PNF plan provides some confidence that the timber has been legally obtained and grown properly.**

A PNF plan allows a landowner to sell their wood to a certifier and with that, there is some assurance the timber has been properly grown and obtained legally. It is not certified but it can be sold and according to all interviewed, the timber is always in demand.

*If they don't get certified they can still sell their product and the customer can take that product and providing they can demonstrate that it has been obtained legally it can then enter the supply chain as what is called controlled source material, in other words it's been legally obtained it's not certified but it's all above board*

**Timber sold to a sawmill can be blended with timber from Forestry Corporation and still be sold as certified timber.**

Landowners who have a PNF plan are able to sell their timber to a sawmill. If the sawmill is one which receives timber from Forestry Corporation, because that wood is certified, the sawmill can blend in some PNF timber and can still classify it as certified.

*They can't sell it as certified but let's suppose a mill gets 70% of its product from Forestry Corporation which is certified and 30% of its product from private native forestry that's all legal, they can suit that altogether and they would have a 70% certified so the mill would be able to sell product then into the market as 70% certified*

**The biggest hurdle for a landowner to have their PNF certified is the cost.**

Certification of a forest is expensive: \$5,000 - \$10,000 is the initial range to start the process to gain certification and \$2,500 each year to continue being certified, plus another \$1,000 for an annual management fee. This is a major barrier for many landowners because many are not wealthy, their forest is not a regular income stream, for many only a way to bring in some extra money when needed. Many cannot be considered as professional foresters.

*Over the last 10 years I've had probably a dozen or so enquires from private landowners wanting to get certified and once they look at the costs associated with*



# Certification

*certifying an individual organisation it is pretty well cost prohibitive there would be no change out of 5,000 and probably little change out of 10,000 for a small grower to get certification*

**The process of certification for a landowner is currently thought to be too difficult and the advantages are not great enough to warrant the effort.**

Gaining certification requires a considerable amount of effort aside from the financial strain. Many are not certain they can see any benefits to certification, they are easily able to sell their timber and they are not convinced their timber would be any more valuable with certification than it already is.

*Yes that what you are referring to there I think is what they were calling the small group certification because at the moment the only option is to get certified on really an individual basis and that can be quite onerous costly and potentially another you don't need to be certified to participate in forestry*



# Certification

## 7.1.2 Responsible Wood (PEFC)

*In Australia the two competing certification schemes are FSC, the Forest Stewardship Council, and the PEFC, the Program for Endorsement of Forest Certification*

There is perception by some is that FSC is preferred by ‘environmentalists’ and this is because they feel ‘environmentalists’ believe Responsible Wood (PEFC) is industry aligned.

Many KOLs are not supportive of FSC because native forests in Australia cannot be FSC certified.

KOLs who support FSC believe native forests might be certified in the future but currently they are not meeting the requirements.

### Beliefs of KOLs who support Responsible Wood (PEFC)

#### Summary

The reasons KOLs who support Responsible Wood / PEFC and are critical of FSC believe the following:

- FSC certified wood is being imported to Australia from countries that are perceived as having low forestry standards. These KOLs are surprised by this and believe the lack of certification is politically motivated
- There is a lack of confidence in importing native timber due to the high probability of bribery, according to some KOLs
- These KOLs believe PEFC is not supported by ‘the Greens’ or environmental groups. These KOLs perceive the reason for this is that PEFC will allow for timber harvested in Australia, whereas FSC, by not endorsing native forestry in Australia, does not
- FSC is the preferred certifier by environmentalists and ‘the Greens’ because it is opposed to the certification and/or harvesting of native forest
- There is a low regard for FSC by some KOLs as it is seen as an agency propped up by government board members who are against native forestry
- Responsible Wood (PEFC) certification is supported by many KOLs because its aim is to apply standards to native forestry that will ensure ongoing sustainable forests
- It is acknowledged FSC certified timber has the potential to be in higher demand

#### Findings

**FSC certified wood is imported into Australia from countries that have poor forestry practices.**

One of the reasons KOLs are critical of FSC is because they cannot understand how countries with known poor native timber forestry practices are able to export FSC certified timber but in Australia there is virtually no forest of significance that can get this certification. This makes these KOLs lose confidence in the FSC process, and they believe there is one standard for Australia and another for overseas countries.



# Certification

*But we're doing our best to improve our performance, but because FSC depends on the locals making the decisions and in Indonesia the locals make the decisions and say yes its okay to kill a few orangutans to get this timber there is no campaign against it*

*...basically there is almost no FSC accredited wood, certainly native hardwood, available in Australia. I think there are one or two operators that managed to get through the system but the bizarre thing is I can happily order FSC accredited hardwood from South America or the Solomon Islands or Papua New Guinea, but I can't seem to get any in Australia*

**There is considerable lack of trust in the overseas certification processes due to the perception of Chinese influences.**

KOLs are suspicious of the overseas certification process. They believe there is the possibility of corruption, indicating that timber is wrongly certified.

One KOL discussed their opinion of the procedures in Africa. They described how in the past, 'logging concessions' were managed by the French who they thought were managing the process well. The French left the area due to political instability. From there, a Chinese company makes an approach, pays a bribe and the process becomes corrupt. This largely summarises the concerns some KOLs have about importing timber from overseas countries.

*The French, mainly due to political instability have started to exit those companies and what happens is the minute the French walk away from their concession a Chinese company walks in and pays a bribe, and they are literally, I've seen photos of trucks end to end with logs on it, going down to the port with a huge pile of logs, there are hundreds of thousands of cubic metres. You can't do that sustainably. It really is a timber extraction process not a sustainable managed process*

**There is a perception that PEFC is not supported by environmental groups because it will allow for harvesting of native timber whereas FSC does not.**

FSC is seen as an agency that does not like to see any trees harvested or at least limits the allowable number of trees. PEFC is seen as an agency that believes trees should be harvested which makes it unpalatable to those who they label as 'environmentalists' or 'Greens'.

*Whereas in Australia it's all about we don't want trees cut down save the koalas so that's the main difference that the FSC it's the Green preferred scheme and the Greens expressly don't like to participate with the other one because the other one will actually allow trees to get cut down in Australia*

**The FSC is perceived as having government support and a board opposed to private native forestry.**

Those in favour of native forestry harvesting have low regards for FSC. They believe it is supported by the current government due to its anti-forestry intentions. They also feel the board is composed of those intent on ending native forestry. They evidence FSCs oppositional attitude to the industry by only a few small native forests having FSC certification in Australia.

*The Commonwealth Government has poured millions of dollars over the last 10 or 15 years into FSC Australia, at one stage they gave them 5 million dollars to get up and*



## Certification

*running and I don't think there is any certified but there might be one small bit of certified native forests in Tasmania like 300 hectares something like that, but I have worked with the various different managers of FSC over the last 15 or 20 years and they're all frustrated because on their board they have people that vow to ending native forestry it's almost like corruption on the inside*

**Timber that is certified by FSC is potentially able to charge more due to its certification status.**

**Some KOLs recognise that there is potentially higher demand for FSC timber than Responsible Wood / PEFC**

*FSC can get a bit of a premium but fortunately the Responsible Wood thing is good, it does allow us into projects, but it doesn't really command a premium*



# Certification

## 7.1.3 FSC - Forestry Stewardship Council

The role of FSC is to write standards that are to be implemented by those seeking certification.

*Write standards for Sustainable Forest Management and Chain of Custody. We set the standards, the standards are implemented by organisations that are to be certified, if you're a small holder, or whoever wants to be certified for forestry. The conformity is assessed by certification bodies so third-party certification bodies who then issue a certificate. A sustainable body we set standards, we don't have an opinion on who obtains certification to them, as long as they meet our standards they get the certificate*

### Summary

- FSC mostly certifies plantation forests. There are only two smaller native timber forests that are FSC certified
- FSC sets the standards, but it is up to the certification bodies to determine if the standards are met. From the FSC website there are three certifiers
- There is demand for FSC certified timber by those seeking responsible chain of supply and forest management of their timber, but there is scarce supply
- FSC attracts more attention from all stakeholder groups where native forestry is concerned, and this creates additional complexity in the certification process
- The main reasons native forestry certification is not successful are the sustainability of forest growth, threatened habitats of endangered species, and environmental groups not liking seeing clear cuts in native forests
- The benefits of being FSC certified are: the certified timber is easier to sell, access to sensitive markets and assurance that the forest is being well managed
- Bunnings prefers FSC certified timber and is also investing in a native timber forest in Papua New Guinea to ensure they are importing wood from an FSC certified forest and supporting the Papua New Guinea native timber environment

### Findings

#### FSC is only being approached by plantation timber for certification

FSC, except for two smaller forests, is almost exclusively certifying plantation timber. FSC believes this is because they either have not been approached or a native forest has not met their standards.

*We don't at FSC have much native forestry under certification, two small holders, one of them is a group scheme with some native forest in it, apart from that we're primarily a plantation forestry that we certify, not of our choosing but no-one else has either been interested or able to meet our requirements*

**FSC sets the standards, but it is the certification bodies who determine if the standards have been met**



# Certification

FSC stands aside from any controversy about certifying a native forest. They are responsible for setting the standards, it is the certifying bodies who decide if the standards have been met.

*I set the standard and it's up to the certificate holders and the certification bodies to decide if there's conformity with the input from stakeholders*

## There is strong demand for FSC certified native timber

There is strong demand for FSC certified native timber grown in Australia, but there is only a small supply available. Those who want FSC certified native timber are mostly disappointed due to the low levels available.

*There's an increasing push to source certified material but also a push to source locally. Architects and others are typically in a bit of a pickle when they have a client that says we would like some FSC certified spotted gum and there is one certificate holder in NSW who can supply, they are very, very small and can only supply in small quantities*

## There are many stakeholders who are interested and vocal about FSC being engaged in certifying native timber

FSC has competing forces when it comes to the prospect of certifying a native forest. Those opposed to native forestry become engaged in the process which is a situation Responsible Wood does not find itself in.

*When VicForests and Sustainable Timber Tasmania have tried to obtain FSC certification and that has really galvanised the environmental movement to take part in the certification process. The certification bodies have had a very big job filtering through all the concerns for the environmental stakeholder. When it comes to our competitor there is less options for stakeholders to issue concerns and it usually goes a little bit smoother without obtaining certification*

## Certifying a native forest has not been successful due to concerns about forest sustainability, threatened habitats of endangered species and environmental groups not liking large clear cuts.

Native forestry has failed mostly because there is opposition to the way the forest is cleared, the perception there is no consideration for forest sustainability and the threat it poses to endangered species. Environmental groups do not like large areas of clear cuts.

*VicForests and STT down in Tasmania, concerns about how sustainable growth forest and habitats of rare, threatened endangered species have been their main driver, has been all the challenges as well. They have been the main ones.*

*Obviously environmental stakeholders are not particularly keen on seeing large clear cuts in native forests, it doesn't look good and environmentally they claim that it's not good for forest health either*



# Certification

The main benefit of being FSC certified are: access to sensitive markets, the products are easy to sell and the knowledge the forest is being managed as well as it can be.

FSC certified native forestry timber is in high demand for many reasons that include its scarcity for Australian grown products (but can be purchased from overseas) and buyers wanting to use timber where they can have confidence that the entire process from growing to milling is being done to the highest standard.

*For smaller stakeholders access to market would be one, some markets can be really sensitive when it comes to native hardwoods and will only accept them with FSC claims, especially some overseas markets are very sensitive and want to see an FSC certificate. Others it is just to make sure that they're on the right track, it's an assurance for them that if they meet FSC certification that they're doing the right thing in their forests and looking after their forest*

## Bunnings prefers FSC certified timber

Bunnings are an organisation that appears to be heavily invested in procuring timber from sustainable sources.

*They do tend to take a stance on sustainability. I can't remember if they only source certified material with a preference for FSC or something along those lines. They are quite big on sustainability in their wood-based materials, for sure*

Criticism has been directed towards FSC with the suggestion that it happily will put its certification behind timber being imported into Australia from countries with forestry practices that are known to be non-sustainable. Bunnings is investing in Papua New Guinea to ensure the native timber forestry is operating in a sustainable way and FSC suggests those who offer this criticism should go and look at the operation.

*We hear that a lot because Bunnings has a supply chain in West Papua where they source decking and we continuously hear people complain about how Australian certificate native forest of the native forestry operations aren't able to get certified, when those cowboys over in West Papua can get certified, it really annoys me a little bit. It is a really, really good operation they have over in West Papua and Bunnings are doing so much to have a really good supply chain and the effects of that certificate, we have had a few CEOs that went over to see them, then they went to a non-certified business afterwards and it was using child labour and clear cutting, bulldozing forest and then you go to the Bunnings supplier and they have selective harvesting and good workers' rights and protection of indigenous peoples rights, that is what FSC is all about, bringing sustainably sourced timber. If FSC wasn't there they would also be bulldozing their forest and turning it into a palm oil plantation*



# Group Schemes

## 8 Group schemes

### 8.1 Group schemes - KOLs

#### Summary

- A group certification scheme is where a number of local landowners agree to work together as a formal group to create a considerably larger PNF footprint than they could benefit from as a single grower
- The main advantages of belonging to a group certification scheme are reported as being: the timber can be sold for a higher price, costs are absorbed across the membership group, profits shared across the group and fewer administrative responsibilities
- A group certification scheme relies on community involvement; the benefit being that entering into a PNF becomes easier to manage, with local support available, both financially and practically
- Administrative procedures are simplified
- LLS involvement in creating group schemes will create a process that will make PNF more manageable for landowners

#### Considerations

- Smaller equipment should be used on smaller properties to mitigate the disruption that is created from large machinery
- If group schemes are to be the future of PNF, then KOLs have some suggestions about what needs to be included for them to be successful. These suggestions include government funding, education, training and infrastructure

#### Concerns

- The issues raised about group schemes focussed on what happens if there is a rogue scheme member and the implications this might have on the broader scheme
- There are currently only a few very small schemes operation in Australia so there is little indication about how easy or difficult it will to be a member of one
- Not all KOLs see group schemes as the way forwards. They warn against too much government involvement and lack of enthusiasm from landowners
- A concern held by a few KOLs is that if the government tries to create a group PNF scheme, this will attract attention from environmental groups who will then heavily scrutinise the process
- A group scheme in Victoria is currently under scrutiny and this demonstrates the degree of interest that is taken towards native forestry
- Group schemes are difficult to run because they are not financially backed by the government



# Group Schemes

## Findings

### Group certification is a possible alternative that could benefit PNF.

In group certification a number of landowners share the costs of being certified. It works on the economies of scale approach; rather than one farmer be responsible for all aspects of their certification, this load is now shared among many.

*The model is what is called Group Certification and that's where you might get a group of say like 50 landowners in a local area, get together and say we'll run a group scheme and instead of 500 hectares you might end up with 15,000 hectares. Sufficient size and scale so that you can manage it overall. It creates an economic model where there's a cashflow and enough to support a group certification program. Those systems don't really exist in Australia*

### There are significant advantages to a group certification scheme to landowners.

The reasons why landowners would agree to participate in a group scheme are several: certified timber can be sold for a higher price, costs and profits will be shared, systems will be put in place to ensure forest health and administration processes will be easier.

- Certified timber will be purchased for a premium price

*And having that third party sort of stamp of approval in effect is something that can help you attract a premium for your product to demonstrate to the broader community and the market that you're doing things sustainably, all of that*

- The scheme creates a system where rather than the landowner receiving cashflow from harvesting their timber, an event that occurs irregularly, the scheme would be designed to make the income more regular and reliable

*A group scheme creates an economic model so there is enough cashflow to support a group certification program*

- There is a belief that in the future, certified wood will become more valuable and users will want to know the timber they are using has come from sustainable sources. PNF timber, if it comes from a certified scheme, will attract a higher price, according to some KOLs
- Forest health is an important focus of a group certification scheme. The benefits were outlined above, but as one KOL described it, certification will also make sure the processes and procedures that are in place are regularly checked. The scrutiny will iron out those who are not practicing native forestry appropriately

*A lot of that will happen anyhow but the fact is when you've got certification it's done formally, you've got planning, you've got processes, you've got procedures and then somebody checks to make sure that you're doing what you're saying you're doing*

- Administration is simplified as scheme members will not have to figure out what has to be submitted as they will be guided on what to do

*Yes, efficiencies around the sorts of people where documentation that you need to have all that sort of stuff*

*The benefit of a group scheme is that it makes it a lot easier for the individual forest owner to obtain certification because they get some advantages from having a group*



## Group Schemes

*scheme manager that takes care of all the paperwork and all the direct dealings with administrative authorities, demonstrating conformity with FSC requirements. It is a cheaper way to obtain certification and they would benefit from having a resource sitting centrally to a system in management. That's definitely a benefit, it's a cheaper way of obtaining and retaining certification*

**LLS involvement in setting up group schemes is a good fit and could be successful.**

One of the obstacles of becoming involved in native timber harvesting is the perception it is overly complicated. One KOL felt LLS would be well positioned to provide the backing and structure required to help landowners become involved. It is thought to be particularly helpful for smaller landowners whose forests in isolation are not worth harvesting, but collectively as a group, each property increases the value.

*Yes, we would be interested in running one for LLS if they needed that sort of thing. It is a lot to get your head around as a landowner and as an individual whereas a group scheme could work quite well*

*The problem usually is that because contracting teams need, don't quote me on it, but a 1,000 cubes, to bother and go in there and get the roading done and get everything ready and it's usually the back block and access is hard and no-one has been out there. It is often just that it is not economic to have these small areas but as a group it could be*

**Group certification schemes will make PNF more accessible and have the benefit of local community cooperation.**

The underlying strength of group certification schemes across PNF is they will dilute some of the difficulties of it. Local communities will be working together to ensure their scheme works as effectively as possible. There are group certification schemes in Europe, albeit it much larger, that have been in operation for a long time which suggests the model can work once it is fully accepted and easily accessible.

*Potentially quite difficult which is where this idea of small group certification where you can sort of aggregate people across the private estate under the same banner is probably what would make it more accessible and also provide that community practice I guess where people can support each other*

**Smaller size equipment to be used for harvesting on the properties of those in the group scheme.**

If the intention is to have group schemes that are focussing on smaller sized properties, then it is preferred by some KOLs that the size of the equipment is also downsized. One of the criticisms of any harvesting is the disruption that occurs mostly due to the equipment which is used. Disruptions in the earth allow for rampant weed growth, erosion and destruction of flora that should be left intact.

*If you set up with smaller equipment and farm scale things, we've got a logging trailer that goes behind the farm tractor instead of a skidder, that kind of downsizing because to get mechanical harvesters and all sorts of things in there, is such a big deal*



# Group Schemes

The concerns about group schemes are focussed on getting group compliance and agreement.

The main concerns raised by KOLs are:

- What happens when members are not compliant
- Getting people to agree on anything is difficult so how can this be managed in a group scheme
- If there is a non-compliant scheme member, will all members of the scheme suffer?

*Because if you set up a scheme and one person gets a non-conformance then the whole scheme is non-conformance so everyone is out*

Attempts have been made to establish group schemes, but success has not always been achieved.

One KOL described how they were involved in trying to set up a group scheme and then went on to describe how it was derailed. Experiences like these create uncertainty but those who were willing to participate in it were optimistic at the time.

The scheme referred to, according to the KOL, had got to the point it was ready to be launched. The scheme had been set up with government money, they found it relatively easy to get landowners to participate and were excited for it to begin.

The scheme did not get the opportunity to start as the current state government stopped the scheme. All were disappointed.

*About two or three years ago I was contacted by the NSW Government to see if we could set up a pilot program for certifying a small group of private growers to get the machinery in place to show how it would work. But because the Government was putting up the money to foot the bill to get these private growers certified it was easy to get some buy in. We were all geared up ready to start early last year and when the Minns Government came in they canned the whole scheme straightaway. Which was an absolute catastrophe because we already worked out the resources for last year to get the pilot program off and running. But the State Government was wanting to try and build the infrastructure around certification for private native forestry. But literally the week the Minns Government came in that was about when we were ready to start and when they contacted us straight after the Government changed hands they said look just hold fire on this and then by June last year they pulled out of the contract altogether*

Currently in Australia, there are only a few very small schemes in operation

The schemes that are in place are thought to be small and mostly in Tasmania, although there is a small scheme in NSW.

*There is a couple of very tiny ones in Australia that might have four or five landowners. In Tassie where there is some very, very high value wood, it's a little bit different from New South Wales in general.*

Group schemes can be successful, but they need government to support.



## Group Schemes

KOLs feel group certification has merit and should be considered if PNF is to have any chance of being able to provide native timber, particularly if the State forests are no longer allowed to harvest.

There is agreement government needs to:

- Fund the project
- Provide infrastructure
- Training
- Education
- Staff involved in the project to be as consistent as possible
  - Feedback from the failed scheme is that the constant changing of LLS did create knowledge transfer and continuity issues while the scheme was in the process of establishment

*To be successful you need to start with some of government involvement. It is almost like the government funding a project and to set it up and get people engaged, set up the infrastructure, do some of the education and training, which governments are quite happy to do and pull the funding out over time once it's economically sustainable*

A suggestion was put forward to the effect that the sawmills could make contributions to the scheme once it was established to help the fund the scheme. Their motivation to be involved is they would be getting high value certified timber.

*It's expensive to set up and establish the scheme. Most of the costs are upfront. Again, if there was a contribution from government for example and then once the scheme matures and over the larger area there will be a certain amount of harvesting being done, it could well be that the sawmills will pay a small premium, maybe \$1 a cubic metre or something like that, which would fund a group scheme*

### Providing a financial structure that benefits all scheme members is challenging

The biggest issue one KOL sees for scheme certification is the reality that a harvest might only occur once every 15-20 years. The incentive to be part of the scheme, paying into the scheme when there is low likelihood they personally will ever benefit from a harvest is a challenge.

On KOL thought a possible solution to this is:

*If there was a group scheme you could do it so there is some sort of aggregation of costs, you could offset it over a broad pool and it's not too expensive*

Forest managers should be certified

*You could be a certified forest manager, that would be a really good idea. It sorts the weed out from the chaff because you get some unscrupulous people that will go into the forest, they are not well trained like we are and they will rip off the property owner, they will do a bad job, the timber industry has got some of those characters involved in it, like every industry*



# Group Schemes

Group certification schemes are not supported by all KOLs, with the major concern focussing on government interference and lack of financial incentive.

KOLs who are not fully supportive of group schemes offer the following reasons:

- Government will introduce interfering regulations that are not helpful to the landowner
- Too many rules make for inefficiencies
- LLS would do better spending their money on eliminating rogue operators
- The PNF plans are already ensuring landowners are operating in a responsible way, particularly since the regulations have been augmented
- Certification is too overwhelming and not efficient for landowners with small PNFs
- Certification requires a considerable amount of effort for virtually no gain. They do not believe their timber will be sold for any more than the current price
- PNF wood is already sold at a premium

## Government interference

Some KOLs are wary of the impact a government-led scheme will have on those trying to participate in it. The level of trust is low, they believe government will interfere unnecessarily and will not allow landowners to make independent decisions.

*Question is how do you do it? Obviously certifications are a tool, there are other tools like government regulation but that's probably problematic. The last thing you want to do is having government running things*

## Regulations

There was criticism for some of the regulations currently in place. One KOL pointed to the exclusion zone around, in this particular case, where a 'drainage line' was introduced. There are times when trees in the exclusion zone should be taken out but removal is not allowed.

For KOLs with this type of experience, they are obviously nervous and sceptical of government and the way government feels the landowners should run their properties.

*No, the days gone by we only had a 5 metre exclusion line along the banks of our drainage line and then you had a buffer zone where you could take 30% of the canopy out but nowadays that same creek will have a 20 metre total exclusion zone. You've got a lot of trees down there that are past it or in my opinion could be removed and still keep that environment. But once you leave them there and they die and then they fall over, massive root systems, it pulls all that ground out. That rule was supposed to be reviewed 12 months ago but nothing happened*

## LLS

One KOL thought LLS would be better off putting their money on finding who the 'rogue' contractors are, rather than ignoring that issue and being sidetracked with group certification schemes. For this KOL, poorly operating contractors is a much bigger issue that needs to be addressed.



## Group Schemes

*It is just another level of bureaucracy, it's not needed. If you've got a certificate you're logging legally, why do you have to chase these other things. To me it would be more important for LLS to clamp down on people logging without a permit and shutting down rogue contractors, getting them out of the system where people can have the confidence if they get someone they're going to get the right thing done and they're going to get paid properly*

### PNF plans are in place

Some KOLs believe the PNF plans if properly followed are sufficient, therefore negating the need to have a scheme involved.

*as long as harvesting in accordance with the code of practice and tracking systems are all in line, all processes are in place, this is all happening anyway*

### Little benefit for smaller operators

One KOL did not think a group scheme is worth the effort for many who are selling their timber from their PNF. They feel these PNFs are so small and harvest so irregularly, there could be little if any benefit.

### Little to be gained

There is a broadly-held belief by many KOLs that even if landowners went to the trouble of joining a scheme, they would not get any more for their certified timber than if they were continuing on as they are now. It would require a lot of effort for very little gain, in their opinion.

*The difficulty why does a landholder want to do that, why does he even want to lift his finger after eating his Cornflakes and even think about this. If you've got some good quality timber and he's legally harvesting it, we don't receive a premium from any of our customers for our accredited wood. It is great that State forest went to that trouble and created that, that at least means we can sell wood to the likes of Bunnings or into a large six star project in the city or whatever it is, it gives us that ability which we otherwise would not have access to those projects. It does not command a price premium. That's really the difficulty. Why does a landholder go to that trouble if it's not commanding a premium*

*I've got the product, yes it's going to be legally harvested under New South Wales legislation but don't trouble me about responsible wood, I don't want to know about it. I've got some cows to look after or whatever I'm doing*

### PNF timber is already premium timber and is sold at a high price

KOLs do not think there is any problem in selling PNF timber. These KOLs cannot see the point of the landowner belonging to a scheme when their timber is already attracting a premium price.

*Currently generally private property sells at a premium to State forest because it's flexible, it's a spot market and all those other things, can they get a premium on the premium they already get, probably not*



# Group Schemes

## Groups PNF native forestry schemes will attract the attention of environmental groups.

Native forestry is an emotional topic for some people in the community and there is concern if there is an attempt to organise a group scheme, environmental groups will be drawn to the process and will voice their opinions about what is taking place.

*When it comes to Native Forestry it will attract attention if the government of NSW tries to establish a Private Native Forestry scheme, that will attract interest from stakeholders. Stakeholders don't make certification decisions at all; they can provide input to the process but they usually get pretty animated when it comes to certification of Native Forestry. The group scheme if it gets off the ground and obtains certification they will be likely scrutinised by stakeholders, who will be watching carefully what cultural practices and so on are applied in the forest.*

*Compared to now if they do have forestry activities that they tend to go a little bit under the radar, in a group scheme it becomes more visible to stakeholders*

## There is only one native forestry scheme in Victoria and this currently has received a complaint

One KOL identified the difficulties an FSC native forestry scheme is having in Victoria. A complaint has been made and the scheme based on clear cuts and habitats being threatened. An advantage Responsible Wood has is they are not as open to community consultation and stakeholder input as FSC. Schemes that are not clear cuts but selective harvesting are less controversial to environmentalists.

*They have a mix of plantation and native forestry, and we have a complaint that we're dealing with right now against one of the native forest managers in that group scheme. Concerns about clear cuts and habitats of threatened wildlife and so on. Certainly, FSC provides, apart from taking legal action, FSC provides an avenue for stakeholders to express their concerns that you don't get in other areas and not in Responsible Wood either.*

## Group schemes that are currently operating are struggling because they are expensive to set up and to run.

A group scheme in operation in NSW is struggling according to a KOL closely associated with the scheme and another KOL.

The problem is schemes are expensive to establish. They require a lot of equipment, a group of people involved who have the same vision and are prepared to share resources and accept that the forest will not be available for any kind of selective harvesting until it reaches an appropriate level of maturity.

*The model is not working and they don't have all the extra admin costs of a group scheme and people not agreeing and sharing equipment all that*



# Group Schemes

## ENGOS would not support a Responsible Wood (PEFC) group scheme.

There would be no level of support of a group scheme if it was going to be run by Responsible Wood (PEFC) as ENGOS perceive the standards to be lacking.

*The model doesn't work PEFC Responsible Wood, I'm declaring my conflict of interest here I don't think it's nearly the standard in terms of governance and community support as FSC, that's why we support FSC here and around the world. Not perfect but it's a better system so I would absolutely oppose some sort of Responsible Wood Australian endorsed group scheme because we see the standards*

There is recognition that the FSC model is considerably more expensive, but ENGOS believe this is because it offers more for the environment, which should be the prime consideration.

*..can't be run by PEFC, it has to be an FSC scale and that means a lot of money and the system is not set up to do it well*

### 8.1.1 FSC - group scheme experience

One KOL has been FSC certified for their native forestry operation. They hold the certificate but there are also other landowners who are part of this scheme. They also are responsible for the milling of the timber. This section is presenting their thoughts on native forestry and the benefits of certification.

#### Summary

- FSC certification puts equal weight on the economic, social and environmental concerns associated with forestry
- Managing the forest requires a commitment, but this is not onerous when the core values of forestry management attitude and the process that needs to be followed are aligned
- A focus of FSC certification is on how to manage the forest for the future. The belief is there has been much disruption to the native forests and it is this generation's responsibility to right those perceived wrongs
- Regeneration of the forests will require time and dedication. The process cannot be rushed or compromised
- The market is strong for FSC certified timber
- Markets need to be created for the timber that is imperfect
- It is challenging to make money from a group scheme

#### Findings

**To be FSC certified, the process requires a methodical approach that is designed to ensure at each stage of the production of timber, the economic, social and environmental aspects are assessed.**

The process of certification requires a judgement on these three aspects. All are of equal importance and form the focus of the certification process.



## Group Schemes

The types of information that is to be provided for certification to occur includes the following:

- Consultation with neighbours and interest groups
  - Give permission to any Greens groups (for example) that want to come and look
  - Anyone who is affected or involved
- Produce a detailed management plan which is shaped by whether they are a SLIMF (Small low intensity managed forest) or a non-SLIMF
- There is an annual audit on both the property and the mill
- There is a policy and procedures manual that needs to be followed

The process of writing the management plan for a SLIMF is described as straightforward and should not be too complicated for a landowner to prepare.

**FSC certification requires a commitment to regenerating the forests that have been compromised in the past.**

This KOL and many who are concerned about native forestry hold that the forests have been over-harvested in the past and that the quality of the forests now is much lower than previously. This inspires them to take their current approach.

*Basically we feel that the harvest is over a bit with Private Native Forest, the generations before having pulled a lot out of these forests with very little regulation and there hasn't been an eye to the future, let's say. There is getting less and less quality in them and more and more pretty poor conditions. It's getting less and less viable for loggers*

**Regeneration will take considerable time for it reach a point where it can be sustainably harvested.**

They appreciate the need for native timber but also appreciate the regeneration process will take a considerable amount of time. Restoring a native forest is not for the benefit of the current generation, but for this generation it requires dedication and sacrifice, and there is hope the next generation will benefit.

*I wouldn't go into it lightly, coming on 20 years now. We have created some beautiful forest and hopefully the children will be the beneficiary. If some generation puts in the rehab we will get there. It's going to be a bit of a rehab job I'm afraid*

*Because we've got a forest, I'm just talking about our place now, we've got a forest that was around 30 year old regrowth and now it's 40 or 50 year old regrowth. At some stage we will go back, probably 10 years, we will stop thinning and be able to get group selection harvest and that's where the back of the beer coaster figures make that worthwhile, once you're dragging out perfect logs instead of the crud*

**FSC certification requires decisions to be made that are not always easy but are made with the intention of keeping the forest healthy.**



## Group Schemes

FSC certified forests require a strict discipline towards which trees are harvested, the ones to be taken and the ones to be left to improve the health of the forest. The criticism about forestry in the past is that the valuable trees and the easy to take ones have been targeted, leading to the degeneration of the forest. FSC forests require landowners to make decisions beyond immediate financial gain which can be difficult but essential to sustain.

*It's walking past that perfect straight beautiful dominant tallow wood when you've got orders for flooring and you've got to get it in by a certain date, you've got to walk past that easy tree and you've got to make do with the slightly, they are not defective trees but they're not easy to get product out of. We have been a bit spoilt with forestry, so we've grabbed the good and easy ones*

### There is strong demand for FSC certified timber

Demand for FSC certified timber is high, with these customers only wanting to purchase timber that has the values and qualities that come with the FSC certification.

The clients include both government and individuals; the larger projects are more problematic as a larger volume of the timber has to be supplied to satisfy the requirements.

*We try to keep it at market price because we really need market access rather than a premium because we're battling all those things of being a sawmill timeframe, we need a long lead time for our orders. What we've been trying to do, we haven't had to market yet, people come to us luckily and they are usually local builders or people building a house that have heard about us or Googled us. We get a few of those big public buildings which are usually quite daunting*

### Forests currently in their rehabilitating stage have trees that are less than perfect but need to be harvested. It is important to create markets for timber from trees that are less than perfect.

The choice of tree to harvest is based on what is best for the forest, not the end user. This KOL describes how the trees that are taken are currently not the ones that are most in demand but ones they feel can be made useful. They described the usages they have found as being 'creative', which means they have worked hard to make these less-than-ideal harvested trees into something that will have a productive use and create a demand for them.

*What we're taking is those sub dominant trees and we're thinning stands that need to be thinned, we're taking out the plethora or species that have to be removed rather than the ones that we want to take, the white mahoganies and grey gums that everyone has left, and they've just been taking the tallow wood, spotted gum. It's about creating markets for those products and what we've done is focused on things like overlaid flooring, we've got small logs compared to your normal average mill, we have to work with small diameter logs, so you have to be a bit innovative*

### Belonging to a group scheme, cultivating and planning the forest is enjoyable, but until the forest is strong, making money and existing is challenging.

There are many personal reasons for being part of a FSC group certified scheme which revolved around the joy of creating a healthy forest, providing a safe home for the local fauna and flora and working towards the future. It is a personally rewarding occupation but it



## Group Schemes

is difficult to be also financially stable. There are many initial expenses, including harvesting equipment and sawmill machinery, the purchase of affordable vehicles. State of the art equipment is optimal but usually unaffordable.

*The group scheme, no that's fine and that's just been our time and expertise has gone into that, a relatively easy hurdle. The forestry is the easy bit, that's the lovely bit for the planning and the mapping and the tree marking. I was only alluding to the sawmilling bit*

**There are many roadblocks and challenges to forming a group scheme. The advice to LLS from this KOL for group schemes includes painting a realistic picture about the need to be committed for the long haul, not the short one, being committed to rehabilitating the forest and for financial assistance to be provided.**

For a group scheme to be a success, the forest health of those participating in the scheme needs to be the primary focus. A group scheme will only work if the health of the forests involved in the scheme progresses positively, if slowly. For this to happen, those involved need to appreciate that the benefits, environmentally, socially and economically, will take time to come to fruition. If an organisation like LLS wants to start a group scheme, then financial assistance will need to be offered.

*People have to get over the mindset that they're going to make a bonanza first up from their forest. If it is a rehab job then it is hard for any contractor, I think the contractors would have to be subsidised in some way to come in and harvest because attracting those people, they've got to move gear, they've got big labour costs, big machinery costs and it's very difficult to come and get someone to come and take out what needs to be taken out*

*I think it's a hurdle in terms of getting people to think about it as a rehab job and it's setting up for the future. This round it might not be so economically wonderful but what you're doing is setting your forest up for the future*



# Group Schemes

## 8.2 Group schemes - Landowners

### Certification

Certification is not an aim any of these participants have considered because to date they have seen no value in pursuing the process.

Participants were asked about their thoughts on certification and group certification possibilities.

### Certification

There is little to no understanding of certification. Landowners have not considered being certified and the participant who owns a small sawmill has never had a problem in selling timber. They also hold the view that it is important to utilise the resource properly and by holding this view, certification would only be a public statement of what they are currently doing.

*I've never looked into it. I have thought about it, I have no clue, absolutely no clue  
That's why I haven't. Over the 30 years xxx has been sawmilling, even when times are tough our quality of sawn has got us through, I haven't had to go down any other angles of trying to sell it. I've thought about Facebook and all those other different avenues, but we've just never had to do it  
There's so many products in every log, some bits are good, and some bits aren't so good, so we've managed to have a customer for every kind of species and quality. XXX is an exceptionally good sawmiller. He is not a Greenie and not a rogue. If you're not looking after your bush, you're not going to have logs for your mills. The same as farming, if you don't look after your paddocks, no grass for your cattle*

### Group certification – landowners

The immediate reactions to brief description of a group scheme focussed on the limitations they perceived this scheme would have, rather than positive outcomes. More information is needed for landowners, but this reaction suggests that assisting landowners even to consider joining a scheme, the benefits will have to be clearly set out. It can also be expected there will be many questions raised.

The reactions of each of the participants was different. Some wanted to consider the proposition more than others and were able to provide more insightful thinking than others. More information is needed for informed opinions to be given.

### Summary

The summary of feedback to the concept of group certification is as follows:

- One participant could see the benefit for smaller landowners to join together

Most participants had concerns about a group scheme which include:

- Landowners with small quantity of trees may not see any value in joining



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- The costs of joining a group scheme may outweigh the benefits
- A property with small 'logs' may not be viable
- The benefits of being independent will be preferred over being locked into a scheme
- Members of a scheme working together with financial constraints may be too complicated
- Government organised initiatives might be met with scepticism
- If landowners feel they are going to be corralled into a group scheme, they might choose to harvest and realise their asset immediately
- Landowners might not like being dictated to about a suitable time for them to harvest
- Participants will need more information about how the scheme can financially benefit them and their scheme partners equitably
- Financial assistance from the government might be required to compensate a scheme member for not harvesting at a time that suits them

## Findings

**The concept of a group scheme did not have immediate appeal to these participants.**

### Positive

- This concept, according to one participant could suit small landowners as it would provide a mechanism where they could join together, support one another and provide much needed native timber

*On north coast, lots of smaller properties that are too small to forest.*

*Only answer is to form cooperatives, 20km by 2km wide. If you got 30 landholders in there, form a cooperative and manage the whole estate, everyone gets paid on area and quality so still receive a payment for managing it*

### Limitations

**The reaction to the concept of group certification was to find reasons why the concept might not be appealing. The issues raised focussed on costs, income-sharing and the practical aspects associated with being in a group scheme.**

- One participant feels most people are not harvesting regularly enough to warrant commitment to a group scheme. Another participant supported this view as they thought they would not have the volume to make it worth their while to join a scheme

*Most people that are harvesting their forest might do it once every 10 years or once every 20 years. It's really not worth their while being in something like that*

- There is concern about the costs associated with being part of a scheme. The need to build roads, source equipment and various other on-costs would make them hesitant to be part of a scheme



## Group Schemes

- The logs on their property are too small and therefore might not be compatible with a group scheme
- There might be benefits of being in a group scheme, but there are advantages of being able to operate independently which could provide better options
- Participants are uncertain about the inter-personal dynamics within a group. A group can only be successful if those within it cooperate and work together. These participants are not sure this will happen easily

*To get a group of people there is always someone that disagrees or something happens, no. We work well out where we are because we are a small community and if someone's tractor breaks down, we will lend a tractor. Someone got bogged we all went and helped to get it out, it was in the dam. Another bloke got a pump and was pumping water out around it, different things like that, we help each other but if you have something and money is involved and then the trees, if the trees are involved someone will say no you can't cut there, no. If everyone has their own farm, they are responsible for themselves*

- One participant is concerned this concept will be met with suspicion because it is instigated by the government. They had been involved in a similar concept when they were with an organisation referred to as AFG and describes as 'the representative organisation of private forest growers in Australia'
- This participant is concerned that if the scheme concept they were involved with had been met with scepticism, then one being introduced by the government would face even greater challenges

*Something that is invented by the government would inherently be looked at with a little bit of suspicion on the part of some forest growers, possibly including me, as opposed to AFG which was and is the forest grower organisation. If AFG couldn't get it off the ground there's a fair chance that LLS won't be able to*

- There was a suggestion by a couple of participants that if landowners feel changes are to be imposed on them with regards to their native forest, this could inspire many to harvest immediately so they could realise their money on their terms

*The problem as I see it is the perception of sovereign risk. People do a bit of production forestry, log timber, log land for a few different reasons. They need the money might be one, it's ready to be logged might be another reason but that's probably the least common reason for production forestry and the third reason is the perception of sovereign risk and that is if you don't get it now you'll never get it because you'll be regulated out of business. That is where the unjust and undemocratic thing comes in for forestry*

*Which is that most farmers, cattle farmers, have a stand of timber, if you start stressing them that it's going to be taken away, they will clear fell it and that's not good for the forest*

- A potential limitation of being locked into a group scheme could be the restriction put in place of when they can harvest. There is concern that a landowner might want to harvest for a particular reason, but this might not be to the advantage of the scheme. Landowners might see this a limitation



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*People who own forest, even quite large areas of forest are unlikely to want to participate in a government mediated scheme where people might say, your turn will come in five years' time but what if you can't actually do it because you're regulated out of business in five years, you need to get it now*

- Participants are interested in understanding how the group scheme would benefit people fairly for their contribution. If there is the perception it is easier and more profitable to operate independently, then participants feel landowners might prefer that approach

*People very seldom look at private property and say if we're going to reserve all this for production and Joe Blow is making \$100 a hectare per year, evened out over many years there needs to be some compensation for that loss of income and for the decrease in the underlying land*

- One participant believes for a group scheme to begin and function financially evenly and fairly for all members, the government might need to compensate those involved, at least initially. They feel there might need to be some compensation for not realising an asset for 'the greater good'

*Those sorts of things are never talked about by governments, probably because the cost is too substantial for them to contemplate. It's easy to give a sawmill a few million dollars and tell them to bugger off but it's a lot harder with farmers. They have got these long-term assets and the growing stock of timber sitting there now never to be used*

### Suggestions

- The concept of a group scheme presents as being complicated. One participant thought LLS could develop a rating scheme which could simplify the process

*LLS should just put their own stamp on it when they give you the PVP PNF. It's a bit like the stars with Choice magazine, the ratings*



# Local Land Services

## 9 Local Land Services

### 9.1 Key opinion leaders

#### Summary - KOLs

- The impression of LLS has improved since its role has become that of an advisory and support role to landowners and not a regulator as well
- LLS has developed a code of practice which is regarded as a significant achievement
- LLS funds helpful programs that help landowners understand their options and help them make future decisions
- LLS has benefited from funding which has created an improvement in the level of support provided
- The staff at LLS are held in high regards by some KOLs
- Suggestions made to improve the current system include extending the PIC property identification system to a landowners PNF and that LLS should cultivate a healthy native forest and use it for training purposes

#### Findings - KOLs

#### LLS role of supporting landowners is better now it does not perform the additional role of regulator

LLS used to be both a regulator and an organisation whose role it was to help landowners. This role has now been simplified with the regulatory role placed with Environmental Protection Agency (EPA) and LLS owning the role of supporting landowners. Since this split has occurred, the impression of LLS is improved.

*it suffered from being swapped from department to department and it suffered from that trying to be, having to be the regulator and the planner as well. It's good that they separated out the big stick from the people that give the plans*

#### The PNF code of practice developed by LLS is viewed as a significant achievement

LLS is commended for developing a code of practice for PNF. Its importance is seen in the way it provides guidelines on how PNF should be approached; this will benefit the environment, landowners and the industry.

*Up until Local Land Services developed a private native forestry team and worked really hard to get a code of practice related to private native forest; that was a really major step*

#### Programs that include assistance and vision to landowners should be observed and learnings included in LLSs future programs

One participant discussed a program that is currently operating in Tasmania. The highlights of this program for them are the assistance provided to landowners to help them understand



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what options they have, what the barriers might be and which options might work best for them.

*I think that really comes back to local land services and that extension type role. For example the forestry would have pilot program that they have been doing has been really excellent first step private forest Tasmania are kind of held up as a bit of a gold standard as well in some of that where it's about providing some real connection and extension and on ground assistance to land holders to help them individually understand their aspirations and their current position and any impediments that might form a barrier to whatever they want to achieve and then helping them work through the options*

## LLS runs programs that are helpful to landowners

LLS runs helpful programs for landowners. These programs are designed to inform the landowner and give them the ability to consider available options and then determine which will be the most beneficial.

*..programs like Forest Stewardship pilot and other things though local land services that can help build up people's confidence and understand the range of options that are available to them*

## LLS's performance in recent years is considered to have improved

A few participants commented on the improvements they have observed from within LLS in recent years. They attribute this to LLS being better resourced which in turn has meant the LLS team has expanded, allowing them to provide better support.

*I would say LLS have been better resourced in recent years to have a much bigger team and that's great to see, I think there are improvements there I would like to think*

## LLS staff are highly regarded

Many KOLs commented specifically about some LLS staff members in terms of their professionalism and knowledge. In this quote, particular staff members are named but all staff are seen as having helped to help build trusting relationships by those who use their services, in the eyes of some KOLs.

*LLS have been gearing up and getting people in and there are some really good people beginning to work there now I have done work with Geoff Boyd, Denis Pollack, Emily Bags and others and Garry Rotter and people before but have now moved on. But they have got a quality team or the makings of a quality team. I think LLS has the ear of the farmers because they are a trusted entity I think essentially*

## Suggestions for improvement

### A PNF identifiable system, like PIC could be beneficial

One participant suggested the PIC numbering system that is applied to each property to identify it be incorporated into their PNF. The value of this would be to better identify where the timber has come from, and potentially other benefits such as recording the area of forest that the landowner has available to them.



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*Because every farm has a PIC number as we call it a PIC a property identification code. Electronic identification tags in cattle are compulsory as they look like they are going to become for sheep and goats as well; really simple to develop a tag for logs going on particularly saw logs. You might do something slightly differently but it wouldn't be hard but even just log dockets would be simple with PIC numbers on them would be better than what we have at the moment, having an electronic sale system working through Local Land Services could work well and on their annual returns to LLS you can identify whether you have a PNF plan or not and what area of forest you have*

## There is support of LLS having a demonstration PNF to use for training purposes

One KOL suggested LLS should have a native forest that it could use for training purposes. This would allow landowners or interested parties to observe what is possible, what is mandatory and what is good practice.

*And it comes back to what the role I think that Local Land Services can play in providing that technical expertise. We desperately need some demonstration forests, we just don't have anywhere we can take people and ideally some along the roadside or a highway*

*To show people what good management looks like because once you have done some of this thinning very carefully people walk around and go oh wow this is fantastic, how can I have a forest like this on my farm*

## 9.2 Landowners

### 9.2.1 Landowners - conservationists

Both participants are aware and have engaged with LLS. Both have needed information about feral animals and approached LLS for some advice. One participant described the interaction in positive terms and the other did not.

Feral animals are difficult to manage so finding a knowledgeable source which is easily contactable is important. The participant who had a positive experience described their interaction as:

*Feral animals, feral pigs, manage feral animals, that's how I met her and I met her about three years ago. Whenever there is an issue, something like that, even feral cats I give her a ring, she's very good [Name given]*

The second participant feels they have a slightly conflicted relationship with LLS. The partner of the participant is an advocate of dingos, but the dingos eat the koalas that they are trying to attract onto their property. They sought LLS advice, but they described the LLS staff person as 'more self-taught than professional'. They justified this assessment by elaborating on how they had also contacted their local vet who confirmed the animal health information provided was 'incorrect'.

Neither participant had considered contacting LLS for farm forestry. If they did contact them, they would be expecting to be speaking with staff who are farm forestry experts and for the participant who might harvest, the staff will need to understand the local market.



# Local Land Services

## 9.2.2 Landowner - No PNF

### Summary

- Local Land Services (LLS) is an organisation all participants are familiar with, although some are more familiar than others through either having an LLS representative visit their property or attending a course
- LLS is viewed as an organisation that genuinely attempts to be helpful

There is limited knowledge about LLS although it is recognised as an organisation they interact with, mostly through from the annual fee charged.

### LLS knowledge

Participants were asked if they knew much about LLS. The knowledge about LLS varied from a basic perspective of having to pay a fee to LLS each year, to it being an organisation available to provide support should they be need it.

The reactions to LLS included:

- Little is known about the services LLS provide
- An annual fee is paid to LLS
- LLS provides training and have some available resources
- An organisation that provided some advice on how to rehabilitate their property after the 2019 fires
- LLS was approached for advice on pasture, and veterinary services, but they had not considered approaching LLS for farm forestry

*Didn't know the extent of what they offer or do for him on his property. He uses them for veterinarian services advisory and they come out and check the animals. Used them extensively and it was never suggested that some one could come and look at his forest*

- LLS has visited their property on two occasions for different reasons. They found the advice to be invaluable

*I was interested in pasture grazing and an LLS person came to my property and gave some advice. She looked at the grass and gave a different approach to what I was doing*

*XX came to my property as I had some hard to identify plants. The approach was really interesting. You can always learn and I appreciated them coming on the property*

- Unaware LLS offers support for forestry management

*I didn't know the extent of what they offer or do for me on my property. I used them for veterinarian services advisory and they come out and check the animals. I've used them extensively but it was never suggested that someone could come and look at my forest*

- LLS offers workshops which one participant attended



# Local Land Services

*The workshop was interesting because she was coming from different background or approach. The teacher brought broad ideas and then said you can work out what suits you. I highly valued this workshop*

## Perception of LLS

**There is a positive perception of LLS by these participants because LLS is viewed as an organisation that tries to be helpful.**

Regardless of the level of interaction participants have had with LLS, they all were positive about it. There is a strongly held perception LLS tries to be helpful, whereas organisations like local councils are viewed to be lacking in this area.

*LLS is so much better because they are trying to make a genuine effort to help, assist and point you to the right direction. They are always trying to be helpful. Council on the other hand is dreadful*

*XX (LLS staff member) came to discuss types of grasses on land, what could be grown, and we had a discussion had about energy inputs and outputs. He came to see and gauge what he thinks, and it was all for free. His view both environmental and government both legally and technically was very helpful*

## 9.2.3 Landowners - PNF Plan

### Summary

The feedback about LLS is mostly positive. LLS is viewed as an organisation genuinely trying to help landowners manage aspects of their properties. If a participant has contacted LLS it is often seeking advice about weeds and pests. Having an on-site consultation is advantageous. A couple of participants have provided some feedback about LLS which is associated with a lack of depth of staff knowledge or an inability to contact staff directly.

The key feedback is:

- Participants appreciate the courses LLS hold, particularly the range of courses on offer
- On-site visits to a participant's property are valued as they provide information and guidance tailored to meet the needs of the property
- Managing feral animals is a constant issue for participants. The courses and provisions LLS are involved with a highly appreciated
- Programs LLS offer to help participants manage their PNF are viewed positively. Grants are used to help strengthen all the forest values, not just the trees
- LLS's release from the Environmental Protection Agency (EPA's) responsibilities is viewed positively as it allows participants to have a stronger and less fearful relationship with LLS
- LLS was described by one participant as not being supportive of landowners because they are encouraging landowners to plant trees that attract koalas, but in the wrong area
- Not all LLS staff are viewed as knowledgeable. The criticism focussed on a lack of knowledge or experience in a rural environment



# Local Land Services

- Knowing who to contact or finding assistance can be challenging as there is no information on the website providing numbers other than a 1300 number

## Findings

### Positive feedback

LLS has many qualities that participants recognise as being helpful. These include courses, information, grants, and helpful staff.

- LLS runs many courses which some participants have found helpful. The courses named are for:
  - Cattle
  - Biodiversity
  - Saw management
  - Drought protection
  - Vet services
  - Pest management

*Totally, when it comes to cattle they're great. They run biosecurity courses, they run saw management courses, they run drought prevention courses. They have a vet that you can call, dingo baiting, there is a whole side of it that we love*

- LLS staff will come to these participants' properties and provide on-site information and suggestions on the issues the participants might have. This service is highly valued and appreciated

*Yes, we've had them out looking at it a couple of times and on both occasions there were one or more qualified foresters, there might be one qualified and very experienced senior forester there and one much less so who may have had an environmental science degree, or some other sort of degree rather than a forestry degree, I'm not too sure. We certainly had some professional people out looking at it and valued their advice on site as to whether we were complying with the regulations around retention of canopy and damage to non-harvested plants and so on. We certainly got their advice on those matters, I considered that to be pretty valuable advice. I thought it was worthwhile including them in discussions about the long-term management*

- Managing feral animals is a constant issue for landowners. One participant discussed how LLS provides baits for feral dogs and cages for feral pigs both of which help these participants manage these pests

*Yes, they are really good there. We go and get the dog baits from them; I have not had any problems with them. We've got feral pigs now that have come over and they came out with a cage and everything to help, they are really good with advice like that*

- LLS will provide money to help participants manage their forests. For one participant, LLS provided \$60,000 which was used in a variety of ways to improve their PNF

*LLS ran a pilot program to support PNF. I applied and got \$60K managing the forest in general. My preferred option would be more like the conservation covenant and*



# Local Land Services

*stewardship covenant where you would get a payment every year for looking after the forest area*

*With the LLS money I upgraded logging tracks, levelled and gravelled them, I set up the infrastructure so I can help manage for environmental values as well*

*I also sprayed weeds, so it was not just chopping down trees, but managing my forest for all its values*

- The interaction participants have with LLS staff members was nearly always described positively. LLS staff are at their most helpful when can assess and provide information to these participants about the issues they might be experiencing or the topics they need more information about

*LLS could step it up, but they need the right people. I did a log grading course with LLS and there was a guy from Grafton and I thought he was pretty good... He is someone who walks around the property and makes suggestions about what they can be doing. He had total respect for farmers, understand and explained in a language they understood.... That skill is very rare and doesn't exist in government.*

- Participants described having more confidence in LLS since their role was split with the Environmental Protection Agency (EPA). Previously the dual role was complicating the relationships between LLS and landowners

*They are the people who give you the PNF, the EPA are the compliance people*

- One participant has an issue with how to regenerate their forest after the 2019 bushfires. They had not considered contacting LLS to get some advice, but feel this is the type of advice they would find helpful

*We've got a logging contractor in at the moment who has been salvaged logging some areas of our forest which was very badly burnt in the 2019 bushfire, we had a lot of trees killed. There has been an enormous wheat field regrowth of wattle, and it is so thick, a lot of it you can't even walk through it. We've had effectively zero advice from anybody really, nobody really knows, including us, what might be the best way to manage these forests to get a canopy back and get back into reasonable levels of production. I think it's a 30 year process at least and I think everybody else does as well*

## Negative feedback

**The criticism discussed was minimal. One participant feels LLS is not always supportive of landowners and the other participant feels some staff lack knowledge. The feedback LLS might like to take on board is the means by which people outside the organisation can make direct contact with an LLS staff member to ask for help.**

- One participant holds the belief that LLS is 'pro-koalas' and evidenced this by LLS support for the planting of trees koalas prefer on properties and encouraging landowners to use an App which reports any sightings of koalas

*Then there are apps, spot your koala and identify your koala, where they are and where they aren't. The number of koalas but they don't know how many they've got so how do they know if they doubled it*



## Local Land Services

- This participant also believes there are some LLS who have 'Green leanings' and the 'Greens' are not a political party this participant respects

*Parts of it are full of Greenies*

- One participant did not have a good experience with the staff member who came to their property from LLS. This participant felt the LLS staff member was not educated on forest management and provided poor advice

*DPI, LLS all these people had been on my farm and they hadn't given me any good information. The government people don't know about wholeness, which one is a happy tree and which isn't. When the high point like a pine tree, others are flat and curved, the pointed ones are the happy ones. The older fatter ones, they are getting fatter and they round out but he couldn't explain it in a way that is easy for him to understand*

- One participant went on an LLS course but found the course leader to be lacking in experience. The participant thought the LLS staff member taking the course was too young, lacked experience and despite a university degree, lacked knowledge that could be useful on their property

*Usually find out about courses etc by accident. They don't have a high profile at all. I met some of the people up there, they don't have the skills to do it, not like the guy from Boral, he could get on with them. Some of the others are how long out of uni? They are green. The forestry school in Canberra and Melbourne gone, there are no more forestry courses.*

- Contacting people within LLS was described as being difficult. If a landowner has a specific issue, they would like to be able to make a direct contact with an LLS staff member. Currently there is a general line contact and a message can be left, but this is not always satisfying to the busy landowner who wishes to ask some questions

*LLS does not share information and it is hard to know who to contact. There isn't a flow chart, you can't get phone numbers and you can't talk to anyone directly. LLS were running a program that I happened to find on the web page. I can't always get the internet at home, so I'm not interested in doing business that way. I went on the LLS website, had a look at pilot program but I wanted to just get a few more details. There was no contact person or number. This pilot was totally reliant on advertising on the website, well who is going to look at that? I called the 1300 number - she has no idea what I was talking about and she didn't call back. I then went back on the LLS website, the only number you could get was a PNF person and their mobile phone number. So I rang the first one who didn't know anything about it, the last one out of 13 knew something about it. He knew about the program, knew what it is about, and he applied for me. How does the average person get into that system?*



## 10 Future of PNF

### 10.1 KOLs

#### Summary - KOLs

- More education opportunities for landowners
- Landowners' vision of their forest's potential needs to be broadened
- Forest health over making some 'quick money' needs to become the focus of the conversation landowners have with contractors when considering harvesting their PNF
- There is concern PNF cannot succeed without significant input from the state government. There is a high cost associated with establishing a PNF with initially low financial incentives
- Landowners need constant sources of information, support and incentives to build a healthy PNF on their properties. This can only be achieved through high standards being set and rogue operators eliminated
- PNF to be presented as an alternative income stream and one which can supplement the income of the landowner, particularly at a time when other aspects of their farming are not flourishing

#### Findings

#### Education is essential for the success of PNF

Some KOLs do not believe landowners understand how to manage their land in a way that will produce a positive native forestry outcome. These KOLs believe there needs to be significantly more education provided if PNF is to be a successful option

*We really have a landscape management issue with ignorant owners who don't know what to do or how to manage the resource that they have and have no way of knowing what improved forest management looks like*

#### Landowners do not currently know how to manage their PNFs

KOLs discussed the limited realisation some landowners have about the forest on their land and its potential. There is limited knowledge about how to manage it short of occasionally managing the weeds in that area. There is untapped potential but many landowners due to ignorance are not managing their forests in an adequate way to create a healthy forest. Their vision about the benefits of a healthy forest needs to be awakened.

*The challenge for and I am skipping over some bits here but the challenge for those private land owners there is a technical issue they don't understand how to manage their forest because to their farmers often it is the back paddock, that's where I get some shed poles and fence posts and whatever, I burn it every so often to protect the place but the soil wasn't good enough so I didn't bother trying to clear it*



## Contractors need to be certified if rogue practices are to be eliminated

There is a widely held view there are many contractors who are not focussing on the longer-term health of the forests on private land. They entice the landowner with the promise of a strong financial reward for harvesting their forest without the consideration of the health of the forest both at the time and in the future. Landowners need a better understanding of the implications of a harvest and what to consider when the opportunity presents itself.

*There is not much knowledge of forestry in the farming community on private land. It's very difficult because people just contact the local mill or the local contractor or the mill knocks on their door and says, how about that block behind your farm, no-one has been in there for 20 years, you won't see where we've been, we'll give you \$50,000 cheque, it sounds great and they give all the assurances in the world, but it usually, often it goes pear shaped. It's another 20 years until someone gets them in again*

## There is strong support for government support in multiple ways if PNF is to be a successful source of native timber

Many KOLs discussed the need for government support if PNF is to be a viable industry. The key areas identified are:

- Education
  - For example, landowners need to be able to identify a forest that has been neglected and then understand what needs to be done for its rehabilitation
  - Landowners are not thought to be knowledgeable about the importance of thinning a forest and finding viable uses for the timber from that thinning process

*There is a big wide-open gap there and I think LLS have been great, because they've come from a soil comm background, they have been great on the eroding and water and some really good courses, log grading courses and things like that is fantastic. It feels like we need to empower people to go, right it seems a bit big for people to take on themselves, forestry, big machines*

- One KOL thought it is essential the communication be kept simple; if it appears to be too complicated then landowner interest could be dampened
- Training
- Australian forestry standard is included in the PNF estate
- Silviculture practices have improved, leading to improved forests. However, it is believed there is a lack of people available to help landowners understand forest science; knowledge is not available to current landowners

*We've lost that continuity of forest management; we've lost that forest knowledge. It's not like cattle which you're passing on and you're doing every day, it's a one off. There is very little knowledge amongst farmers about even how eucalypts grow or how they regenerate whereas they know everything about their pastures and their cows*

- This also includes technical aspects of forestry such as tree diameters, habitat trees, species mix, weed control, thinning
- Financial input to help people invest in their forests; creating a healthy forest is an expense that is unlikely to reap any financial benefits even to one generation of



landowner. Some believe there needs to be financial incentives for landowners to create a PNF

- Contractors who do not operate ethically need to be identified; either they can be made to change their ways or they can be forced to stop operating. Certification is thought to be one way to manage contractors so their practices are acceptable.
- Better education for landowners about forest health and why it is important not just for a potential income source, but for the consequent broader environmental benefits

*We're talking about our environment in decline and with the amount of land that is in private ownership we really need to be helping those land holders to not just manage their forest for timber but actually think about how they can build the health and resilience of their forest into the future to contribute to broader biodiversity outcomes and fire mitigation as well that's a big issue for a lot of people*

### Landowners need encouragement to view PNF as a viable income source

There is common agreement among KOLs that many landowners are not considering PNF as an income stream option. These KOLs feel there is a compelling argument for landowners to view PNF as an income stream which is viable, particularly when their farming options are underperforming due to drought, rain, or some other circumstance. The example often given was if the price of cattle was poor, a landowner could consider harvesting some of their PNF to ensure a balanced income stream.

*As farmers, the real farmers out there, cattle producers and that, that's their backup. When cattle prices up they don't harvest, if the cattle prices go down they will cut some timber*

## 10.2 ENGOs

The main points raised by ENGOs included:

### Government should be instrumental in capturing data from landowners

The government should be capturing data from landowners in an incentivised way. By recording and monitoring data, there will be a greater knowledge and understanding of the biodiversity aspects of landowning

*I really like the idea and I love that X mentioned it farmers and landowners need to be incentivised by the Government to provide the natural capital that they do provide with that land that they own. Having high biodiversity valued land is actually good for all of society, not just in those regional areas but for Australia overall because there is so many eco systems services that can be provided from that land just being intact. We need the Government to incentivise these farmers, advise these farmers properly and provide monitoring evaluation, advising and they need to also take down a lot of this data. And have it available for everyone to be able to manage accordingly. There seems to be a massive gap in a lot of different areas and I do feel that the Government really could be doing some really cool work in that respect. Not just in the incentivisation but also in proper monitoring evaluation and other types of data recording and keeping*



## There is potential to for government to identify unusual land and create programs to rehabilitate these areas

Governments need to identify and correct currently unusable land and invest in restoration strategies

*I am really big on sustainable plantations being developed in areas that have been immensely degraded that aren't suitable for other agricultural uses of which there are many. There is a lot of land for that, I'd love for there to be an incentivisation scheme available to help farmers want to get these trees on the ground and do so in a really environmentally responsible way*

## Government will need to provide financial support if PNF and group schemes are to be successful

If landowners are to create a healthy PNF, like other KOLs ENGOs believe the government will need to provide financial support to landowners, particularly for the establishment of a group scheme. There is a concern landowners do not have the means to participate in the scheme, so the government should provide financial assistance to encourage the establishment and consolidation of schemes, after which government can step back and allow the process to flourish

*And doing so in a way that the farmer isn't out of pocket because the problem is that these farmers in this new era that they are coming into of insecurity they are going to need that financial security under their feet. And I do think that they can afford it that the Government can afford it*

## ENGOs want PNF to be as robust as the requirements set by FSC

ENGO preference is that LLS will work with FSC to establish high standards for PNF. To reach the standards of FSC requires a considerable amount of support, both financial and through education and there is a belief that government needs to be active in this area if these goals are to be achieved.

*It may be that say LLS works with FSC with Stefan to try to consult and try to work out what a pilot would be, and they fund a couple hundred grand to a pilot to address which I think is one of the bottlenecks which is the administrative and consultation and monitoring costs that FSC require. Government could do that David could do that. I think monitoring, I mean there is a lot of monitoring costs under FSC maybe Government could help to pay the costs of that and reporting.*

## 10.3 Landowners

Landowners had a few suggestions, which are included in this report for completeness.

### A long term plan for native forestry should be in place.

One participant feels the forestry industry should have a '100-year plan' which they believe happens in overseas countries, particularly in England. They see the benefit of long-term plans and feel this concept should be promoted.



## Future

*What I would love to see, say if I had 500 acres, I would love to see 100 acres put into trees for future and you would stagger it over ten years. Like they do in England, it's a hundred-year cycle, you have this cycle, and you would be doing that, some farms have done that in Victoria and now they're reaping the benefits of what they did 30 years ago. That to me is very good use of farmland that's probably better growing trees*

### Landowners need to have long term and broader goals for their properties.

Another participant believes that landowners need to take a long-term view on how to manage their properties. This participant has learned from previous experiences where they expanded their farming interests from just sheep to include both sheep and wheat. They feel forestry could easily be an additional source of income for many landowners.

*To me farming now should never be just one thing, it has got to be a number. It's a buffer. Years ago, when we started, we just did sheep, then we did cropping, sheep and cropping but those farmers who are wheat and sheep it's a buffer. One year the wool won't be good, the next year the wheat will be good, so it balances out. The other thing with farming is it's a 10-year cycle, you would make money over 10 years, three very bad years, three good years and middle of the road. It took us a while to do that, but I was married to an accountant, it really is true.*

*If you look at it now, if I was coming down here and I was 30 I would certainly be planting trees, even if it was just 5 acres. There is information about what to plant that's really good for furniture and that's what I would be doing, and you would harvest it accordingly*

### Plantation trees are the future. Forestry Corporation does not operate ethically.

Plantation trees and concern for native animals are the concern for one participant. This participant believes there should be more plantation trees. Additionally, they believe Forestry Corporation is not ethical in the way it works in the forests. They are particularly concerned about the harvesting of trees as they believe Forestry Corporation does not check properly for animal habitats.

*They are not thorough. They say they scan the trees, but they are not scanning at night. They do not pay for people to check out these forests when the animals might be there*

### The future of PNF is compromised by government interference and regulations.

Encouraging landowners to engage in PNF would be discouraged by this participant due to government interference. They feel the native timber industry is already highly regulated but draws too much attention particularly compared to other agricultural activities.

*I wouldn't advise any young farmer to buy forested land because if you compare the regulatory regime for forestry compared to the regulatory regime for agriculture, you can do anything in agriculture, you can plough land down to the creek bank, through the creek, you can do anything. You can destroy and degrade to your hearts content, but forestry is highly regulated and that is getting worse and worse. That is completely at odds with the ecological damage that agriculture does compared to forestry which is considerable, and the relative sustainability of forestry compared to any other primary production system*



# Future

**Native timber is important for Australia both now and in the future.**

Native timber is as important as agriculture, but it receives negative attention. Compared to agricultural practices, native timber forestry is sustainable. It is also interesting to grow and reducing what can be grown now will have long term implications.

*...but it's the most regulated and the least popular, forestry, that is compared to any form of agriculture. If we're looking for long term sustainability of primary production systems Native Forestry is it, the rest of them are just not in the race. Not only that but it's an intriguing activity, it's something that the decisions you make now are going to have an effect for decades to come*

**They key areas to focus on are education, skills, group schemes, capable LLS staff who can provide advice, transparency, eliminate local councils in decision-making for PNF Plans, landowners to better manage their properties for environmental values.**

One participant summarised the future with the following points:

- Landholder skill base
- Economies of scale, establish landholder groups which provide regular income so incentive to be part of it and management it
- People who can understand the psyche of rural people and provide assistance
- Industry needs to be more transparent
- Local government no role at all - because they have no skills in forestry management
- Landholders to better understand the values -water supplies connectivity etc



# Discussion guide - KOLs

## 11 Discussion guide - KOLs

### 11.1 Key Opinion Leaders

#### Introduction

Provide background which includes:

- Who I am
- Purpose of the research
- Permission to record or take notes

Phase 1 - Understand the KOLs role/job/involvement in the industry

Phase 2 - Define PNF

- What is PNF
  - How would they describe it

Phase 3 - Attitude to PNF

- Positive and negative about PNF
- What works well with PNF
- What doesn't work well PNF
- Is encouraging PNF a solution to the issue of potentially less native harvesting
  - Could it be reliable enough
  - What would the concerns be

Phase 4 - Landowner focus

- Explore the KOLs opinion about landowners and what the potential what will hold it back.
- What needs to be done to engage landowners
  - Currently many disengaged landowners
  - What services are they offering and how do the landowners respond

Phase 5 - Group Certification

- Thoughts on group certification schemes
  - Benefits of schemes
  - Disadvantages of schemes

Phase 6 - Certification schemes in place

- PEFC, FCC



# Landowner -PNF Plan

## 12 Discussion guide - Landowners

### 12.1 Landowner - PNF Plan

#### Introduction

Provide background which includes:

- Who I am
- Purpose of the research
- Permission to record or take notes

Phase 1 - Understanding participants attitudes towards their property

- Thinking about their property, how do they manage it; how big, what's on it, how long they've been there, main income source

Phase 2 - Discussion about forest on property

- What does it look like
- How much land
- What attitude
- Do maintenance
- Management or just like to look
- Values of the forest: Like to have bush, or see as an income source, animals live, multiple values

Phase 3 - PNF Plan - process to application for plan

- What was the inspiration
- What was the steps
- How easy/hard
- Happy gone down that path
- Since had plan, what have done with it
  - Probe: why chosen not to harvest

Phase 4 - Harvesting

- How was the harvest organised
  - Self-managed, local referral, sawmill approach etc
- How was that process
  - Positive/negative/work out as expected
  - Financial rewards

Phase 5 - Certification



# Landowner -PNF Plan

- Awareness of FSC and Responsible wood
  - Do they know they anything about the certification process
  - Yes: what do you know
  - No: offer explanation
    - What's involved;

[Explanation: Certification requires long term planning for a forest; it involves a structured approach to creating a healthy forest. This includes assessment, documentation, auditing, and responsible harvesting. Some key benefits of certification are: healthy forest, improving the landscape, social license and access to markets otherwise inaccessible. The benefits are not just financial, but environmental. It costs money to be certified]

- Benefits
- Reaction to this

## Phase 6 - Local Land Services

- What is known about LLS
  - What understand about Farm Forestry unit

[Services offered such as team member available, resources on website, access to those who grow trees, demonstration day, training events, one-on-one advice on properties. Impartial forest management advice - help customers]

- What information resources are available if it was decided to explore the options of having a Farm forestry
- EPA - agency that police the environmental practices (used to put the plans in place)
  - Check to follow rules

[Participants may have had interactions with the EPA before LLS took over]



# Landowner -No PNF Plan

## 12.2 Landowner - No PNF Plan

### Introduction

Provide background which includes:

- Who I am
- Purpose of the research
- Permission to record or take notes

### Phase 1 - describing property

- What are the rewards for running/managing your property and what are the challenges

### Phase 2 - Property ownership

- Why did they purchase this property or how did they come to live on this property
- How long has the property been owned

### Phase 3 - Property use

- Thinking about your property what is the land use - what are you using your property for
  - How are you managing your property? (Activities undertake on your property)

### Phase 4 - Attitude to their native forest

- Thinking about the trees and the native forest on your property:
  - What do they like about this forest
    - [Birds, wildlife, nice to look at][Is it an asset that could generate an income]
  - What is it they do not like
    - [Fire hazard, vermin ]

### Phase 5 - Forest management

- How is the forest managed
  - Is any attention given to this forest
    - Actively managed or just let it 'exit'
    - Actively managed - what does that mean
      - [Note: weeds, vermin, fire hazard]
  - Is the forest in good condition
    - Why think about that.
  - If wanted to improve the forest - what approach would take

### Phase 6 - Attitudes to harvesting

- Do you use the timber on your property currently for any purposes
  - Yards, firewood, fencing, building construction, recreation
- Is active harvesting trees taking place



## Landowner -No PNF Plan

- No: why not?
- What are the barriers to harvesting trees
  - [Feedback might receive is: Too much information, dealing with government, anticipation it will be too complicated, not sure of how much they would make, not sure what is enough volume]

### Phase 7 - Farm forestry

- What does the term Farm forestry mean to you?

#### Definition

Farm Forestry is the sustainable management of native forests on private property for a range of values such as:

- timber production
- biodiversity conservation
- pest and weed management
- fire management
- Aboriginal cultural values

Sustainable management of private native forests makes a positive contribution to the overall health, productivity and profitability of farm enterprises and rural and regional communities.

#### Advantages of farm forestry

- What are possible advantages of farm forestry
  - What knowledge is required
  - [Approval to actively manage forests on property based on their values]

#### Ecological sustainable forest management

- Reaction to concept - what does this mean

### Phase 8 - PNF

- Awareness of plans: what is understood by the term

#### [Permission to actively manage

- recovering from fires, enhancing forests, permission to harvest]

- Any interest in this concept

### Phase 9 - Local Land Services

- What is known about LLS
- What understand about Farm Forestry unit
  - Services offered such as team member available, resources on website, access to those who grow trees, demonstration day, training events, one-on-one advice on properties. Impartial forest management advice - help customers



## Landowner -No PNF Plan

- What information resources are available if it was decided to explore the options of having a Farm forestry